THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

September 7, 1940

Nanking's Anti-American Propaganda Follows the Nazi Pattern

Japan's Political Structure

BY HUGH BYAS

Tussle Over Oil in N.E.I.

Import Racket at Tientsin

BY JOHN AHLERS

Roosevelt Announces Gift of 50 Warships To Britain in Exchange for Bases

VOLUME 94 PRICE 50 CENTS (in China) NUMBER 1

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What People Are Saying

Comments from readers on current topics are cordially invited; their opinions, however, do not necessarily represent the views of *The China Weekly Review.*

"HANG YOURSELF"

To the Editor:

I believe your readers may be interested in the following letter which I sent to Tang Leang-li, editor of the **People's Tribune**, for it failed to receive publication in that journal:

"T'ang Leang-li,
People's Tribune,
Shanghai, China:

"It was with a good deal of pleasure that I read the so-called 'open letter' to my friend Clinton S. Harley, in which you devoted six solid pages to answering a letter I wrote you some time ago.

"I certainly appreciate the compliment; it is quite evident that my letter was an arrow which reached its mark. I do not resent the scurrilous tone of your article; like the American soldier who was kicked by a mule, I simply consider the source and smile accordingly.

"I do not have to make any explanation to the trustees of the China Club. I serve the China Club and the Chinese cause without pay. I am proud to make this my contribution. For three years I have consistently fought the Japanese conquest of China, and have done everything in my power to block the Japanese military machinery. I have worked consistently to have an embargo placed on American materials shipped to the Japanese army and I am beginning to think that my work, together with the work of many more Americans who think as I do, is bearing fruit.

"I do not care to answer the various points in your article. If I thought that they were your sincere opinions I might take them seriously, but I know that these are simply the ideas of the Japanese Army staff in China and that you are expressing their ideas.

"Despite your plausible explanations I still think that Wang Ching-wei is a traitor to his country and to his people. Perhaps I ought to designate you as a little traitor, but I am reliably informed that you are only Chinese by ancestry, that your knowledge of the Chinese language and the Chinese people is elementary. I seriously question whether your opinions are any more palatable in your own native Java than they are in Seattle.

"It is true that I have followed your writings with a good deal of interest and I was amazed at your drastic change of policy in thirty days' time. In less than one month you changed from an admirer of Chiang Kai-shek to an admirer of Japanese army methods. There is only one explanation for such a change: for the sake of a Japanese subsidy you became a mental prostitute.

"How long do you think that Wang could exist without the protection of Japanese bayonets? How long do you think you could exist without a Japanese subsidy? Under these circumstances, I cannot take either of you seriously.

"The recent formation of the Konoye cabinet and its evident intention of suppressing all free speech and expression in the Orient, and its attempt to terrorise all foreign newspapermen in China and Japan, may be acceptable to you as an individual since you are basking in the protection of the Japanese army, but in this country we still believe in individual freedom and the right of free speech.

'I do not resent your expressions regarding me, but I do resent your expressions regarding Chiang Kai-shek which also reflect on his noble wife. Their names will go down into history as patriots when the name of Wang Ching-wei is lost in the bitterness of revilement.

"In conclusion may I say that since you seem to resent the analogy between yourself and Judas, may I further enlarge upon this idea. There are two excerpts from the Bible which seem to be appropriate under the circumstances: 'And Judas went and hanged himself'; second, 'Go thou and do likewise'."

W. E. PRIESTLEY

China Club of Seattle,
August 1, 1940

WAKAMOTO WHACKED

To the Editor:

Sir:

Your revelation concerning the Wakamoto mystery is immensely interesting. It is a well-done job, telling the truth without doing injustice to anybody. When Wakamoto made its first bow to the Shanghai public two years ago, an inquisitive reader wrote to ask a leading Chinese-language evening newspaper — American-owned and supposed to be most openly anti-Japanese—if it was just one of those numerous made-in-Japan wonder-workers. The sub-editor made bold and said yes—only to retract the next day, obviously by order of the managing editor. This serves as an excellent object lesson as to how incompatible an upright editorial policy is with the profit motive, and I have been taking all press reports and comments with a grain of salt ever since.

WANG ZUNG-YEN

Shanghai, Aug. 27, 1940

NO MORE MOSQUE

To the Editor:

Hereafter your **China Weekly Review** should not be mailed to the Shih Pa Ti Mosque, for the mosque was bombed to ashes by the Japanese devils.

M. W. F.

Chungking, Aug. 22, 1940.

THE CHINA WEEKLY REVIEW

Cable Address "REVIEWING SHANGHAI"

J. B. POWELL, *Editor and Publisher*

C. FRANK GLASS and HOH CHIH-HSIANG, *Assistant Editors*

F. K. CHAO, *Business Manager* TRYPHON V. KU, *Advertising Manager*

JAMES Y. M. WU, *Circulation Manager*

Index for September 7, 1940

Editorial Paragraphs

Nazi-Inspired American Propaganda Follows Nazi Pattern... 3
U.S. Red Cross Resuming China Aid as Fresh Monies Arrive .. 5
Roosevelt Announces Gift of 50 Warships to Britain In Exchange for Bases; Rumania Carved Again 10

Special Articles

In Japan's New Political Structure the Army Takes the Place Occupied by the Party in a Fascist State ....*By Hugh Byas* 6
Japan's Import Control Racket at Tientsin ....*By John Ahlers* 8
General Chiang Appeals to People of Japan to Re-establish Peace 14
Chinese Air-Fighters Battle Nippon Bombing Planes Over Chungking .....*By An Eye-Witness* 18
Netherlands Indies Oil Products Are Object of Nippon-American Tussle? 20
Nanking-Japan Pact Initialled and Sent to Tokyo for Boss Scrutiny 22
Puppets Seek to Bribe Local Police In Effort to 'Get' Wanted Patriots 26
Chinese Troops Engage Japanese At Lungchow, Near Annam Border 28

Departments

What People Are Saying 1
Outstanding Events in the Sino-Japanese War 30
Who's Who in China 31
Men and Events 32
New Books of Interest in the Far East 35

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94-003

KNOWN ABROAD

To the Editor:

I was just on the point of renewing my subscription when I read the report that the Japanese and Wang tribe had ordered your arrest and expulsion. I am therefore mailing this letter in care of the Secretary of the Municipal Council in the hope they will know where to reach you. I have been receiving the paper regularly, hence am somewhat puzzled by this latest madness of the Japanese.

From present prospects it doesn't seem that our Administration is planning any move against the Japanese without first consulting the wishes of Great Britain, and as Great Britain hasn't displayed any excitement over the manner of treatment of its nationals by the Japanese over the last two years, I suppose our men also will be kicked around at the pleasure of the Japanese. I presume that if we do not ship the Japanese everything they need for exterminating the Chinese, they will slap and undress the Americans at Shanghai and anywhere else in China, particularly if they can get away with it.

I certainly hope that things will clear up because I should not like to be without **The China Weekly Review** which I have enjoyed all these years.

We do not think much of the President's push into what, I maintain, is a purely European War, one which was undoubtedly created by the policies of both France and Great Britain for the past six years. I particularly resent our indecent neglect of our relations with the Orient. I wish for once that America could have character enough to formulate a foreign policy that would be wise for America and not always be following the English lead.

E. H.

Chicago, Aug. 6, 1940.

NATIONAL CITY BANK OF NEW YORK

Rates of Exchange, Shanghai, September 5, 1940

Demand selling rate on New York: U.S.$1.00—Sh.$19.27

Demand buying rate on New York: U.S.$1.00—Sh.$18.82

Demand selling rate on London: £1.0.0—Sh.$69.81

Demand buying rate on London: £1.0.0—Sh.$67.96

AMERICAN STOCK AND COMMODITY QUOTATIONS

September 4, 1940

STOCKS

Amer. Locomotive	14¼
Amer Waterworks	9¼
Anaconda Copper	22⅛
Bethlehem Steel	81⅛
Chrysler	79
Elec. Bond & Sh.	6½
Gen. Motors	49¼
Goodyear T. & R.	16⅜
Gt. Nthrn. Rly., pfd.	26⅞
Lockheed Aircraft	28¾
Mont. Ward	42
N. Y. Central	14⅜
Texas Corp	36½
U. S. York Cotton, Oct.	57¼

COMMODITIES

New York Cotton, Oct.	9.41/41
New York Rubber, Dec.	19.25B
New York Hides, Dec.	10.00/00
Chicago Wheat, Dec.	78⅛/77¼
Chicago Corn, Dec.	57¼/57⅜
New York Sugar, No. 4, Dec.	0.72B/72½A

B—Bid. A—Asked.

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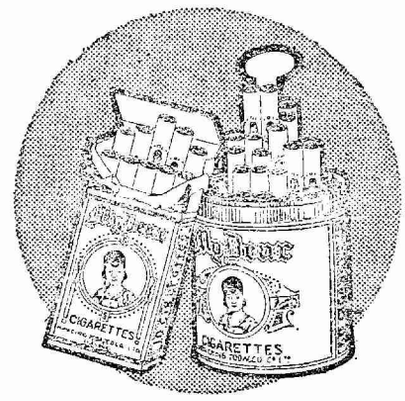

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NANKING'S ANTI-AMERICAN PROPAGANDA FOLLOWS NAZI PATTERN

THE well-known American magazine *Time*, in a recent reference to the Japanese-inspired reign of terror against American and Chinese newspapermen in Shanghai, said that the Nanking puppet government's director of international publicity—Tang Leang-li—"fancies himself a Chinese Goebbels." The paper then explained that Tang was born in the Netherlands Indies under the Dutch flag, was educated in England, Austria and Germany, "and has long been an admirer of Nazi methods."

The writer in *Time* might have gone further and explained that while Minister Tang's knowledge of the English language is above the average, he leaves the job of polishing-up his manuscripts to a Russian, an ex-Red who spent many years in the United States and may have become an American citizen. The man probably rates as the No. 1 "fifth columnist" among the foreigners in China.

The inspiration behind Nanking's anti-American propaganda, in the opinion of *Time's* staff writers, is the Imperial Japanese Army, and has resulted from the Army's frustration, following the announcement of President Franklin D. Roosevelt's executive order placing an embargo on the export to Japan of oil and scrap iron, of which Japan had been obtaining, respectively, an average of 70% and 90% of her supply of these vital war materials. Japan had blockaded the Indo-China route and had succeeded in bullying Great Britain into closing the vital Burma road. The embargo was America's retaliation.

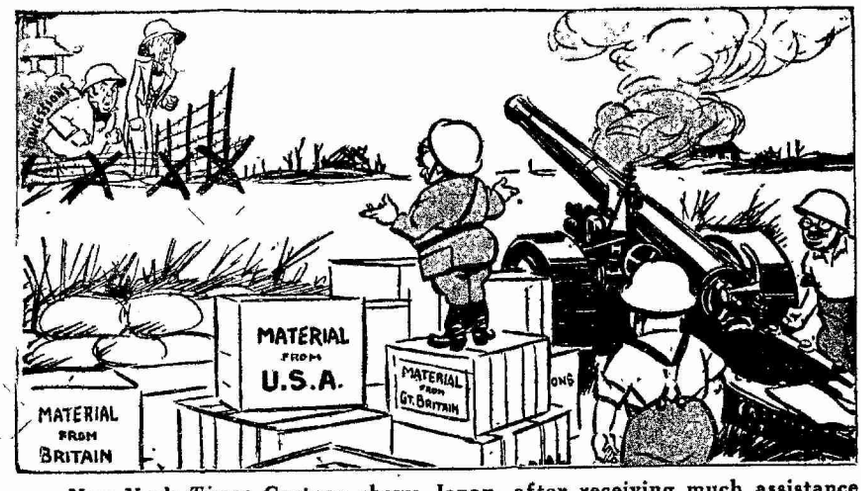
The Japanese-inspired, Tang Leang-li-executed anti-American campaign followed immediately. Its object was to persecute American citizens and discredit them among the other foreigners and the Chinese by impugning their motives. Throughout the propaganda which appeared in Wang Ching-wei's personal organ, *Central China Daily News*, and Tang Leang-li's *Central Press Service*, ran the strain that America was trying to succeed to Britain's previous position in China and the Far East generally. Therefore the Americans must be discredited —witness the following from the *Hsin Min Pao*, official organ of the Japanese-controlled North China Political Affairs Commission:

"Should America immediately join in the European struggle, she will not win the war, because the American Army is weak, and the quality of her soldiers is bad. They know more about comforts, etc., than about warfare, and in addition they are not brave enough to die. Among all the nations in the world, the American Army has the largest number of men who do not dare to die. With such an army, how can the United States win the present war, which holds even devils and gods in awe? If America joins the war she is digging her own grave. As to America's hampering Japan's East Asian policy—that is a joke. . . If America, in her hypocrisy, interferes with the revival of East Asia, we will 'stack up all our might and burn our boats to deal with her'."

Reuter's correspondent in Peiping stated that the anti-foreign campaign in the Chinese press appeared to represent all foreign powers, more particularly Britain and America, "as hungry wolves preying upon China's prostrate body, and Japan as the savior and champion of the East Asiatic races against the wicked white races." The *United Press* report from Peiping quoted from another Japanese-controlled Chinese-language newspaper, the *Chen Pao*:

"No European or American troops should dirty our soil any longer . . . The Netherlands East Indies should not rely on European or American support, but instead should join the 'combine of Asiatic nations' under the New Order in Asia . . . Chinese should beware of Anglo-American collaboration . . . The United States will try to protect British interests in China, but we should sweep all the foreigners from the land . . . Today when the New Order in East Asia is about to be established, all foreign influence in the Orient must be swept away and no seeds of trouble left to cause future complications . . . The withdrawal of British troops from China indicates that Britain knows her present strength. Should any other nation, conniving with Britain, seek to take over British interests in the Far East, such a nation must be stopped and suppressed with our fullest strength. No European or American troops should dirty our soil any longer."

"Muchee Thanks, Honorable Allies"



New York *Times* Cartoon shows Japan, after receiving much assistance from the United States and Great Britain, preparing to drive them from their concesslons and settlements in China.

Propaganda Minister Tang recently made a trip to north China, but whether he was responsible for this outburst is not known. It may have come from Leng Chia-chi, head of the so-called "Anti-British League in North China." But whether in north China or at Shanghai, the propaganda follows a regular pattern—the Nazi pattern—similar to the propaganda which was used by the Nazis in their drives into other European states.

Some further extracts from Puppet Tang Leang-li's *Central Press Service* will disclose the motives behind the propaganda. The following was circulated on August 28 and purported to be a translation from Wang Ching-wei's *Central China Daily News*:

"Following the capitulation of France to Germany, the foreign policy of the United States has undergone a

serious change . . . The foreign policy of the United States was to leave the European War alone and devote her attention to the Pacific, because if the U. S. participated in the European War too early, she would have to stop her expansion in the Pacific. The United States wants to preserve the present status quo and expand her influence in the Pacific. But by leaving the European situation alone, America cannot solve the Pacific problem. Before the time comes for the solution of the European problem, the United States will have to keep pace with Japan . . . After the capitulation of France to Germany, President Roosevelt issued a statement about the Monroe Doctrine of America, of Europe, of Asia, which was not clear-cut and apparently was designed to cheat Japan. But later when Japan took positive action both in Indo-China and Dutch East Indies, the United States did its best to avoid friction with Japan, but this didn't mean the U. S. was prepared to withdraw from the Pacific. It merely meant that America had to pay more attention to Europe and might have to loosen her grip temporarily in Asia. She wants to move in Europe and Asia at the same time, but Japan's positive actions will disturb America's policy, so America will not be able to carry out her plans smoothly. The United States will have to enter the war before she is well prepared to do so."

The following, under the heading, "America's Foreign Policy," also appeared in Wang Ching-wei's *Central China Daily News*:

"In the Far East, China is the first to suffer from America's dual policy. Under the influence of high-sounding words of America, China is continuing her resistance campaign. Even Chiang Kai-shek is still dreaming. Britain was the second one to suffer from America's dual policy. As soon as Britain advances one step in her realistic policy, she is pulled back one step by the American high-sounding words. The Tientsin problem represented the first step and the Burma Road problem the second step. Britain found it impossible to tolerate American action and decided resolutely to withdraw her troops from Shanghai and north China. America's high-sounding word policy was to send American Marines to take over the British defense sectors, but as this would mean a direct conflict with Japan, the American commander, Col. Peck, felt a headache immediately and as a result the British defense areas were taken over by the local volunteers, temporarily. Negotiations will continue between Washington and Tokyo as suggested by Admiral Hart. But Washington declares it wants to settle the issue locally. What are we to see from this situation? The high-sounding policy of the United States has gone bankrupt . . . The French appealed to President Roosevelt and he said Congress would have to decide. After that the French capitulated . . . Since Britain is determined to continue the war, she has to oblige the United States . . . Britain will lose her West Indian possessions and will be compelled to do other things to obtain 60 second-hand American warships . . . Not satisfied, America is attempting to place Canada under American domination and give the U. S. the right to use Canadian harbors and bases under pretext of joint defense . . . America's high-sounding promises of assisting Britain is nothing but a commercial transaction . . . The United States plans to seize the territory of the declining British Empire . . . America's foreign policy can only make it possible for her to dominate the Western Hemisphere in name and in action, but America cannot attain to what Mrs. Roosevelt regarded as a first-rate power. The high-sounding justice and righteousness policy of the United States in Europe and Asia has only brought losses. Such high sounding, but business-like policies cannot make other countries regard the U. S. as a first rate power and follow in her footsteps."

Dr. Joseph Goebbels, Nazi propaganda chief, once said, "The America of today will never again be a danger to us. Nothing will be easier than to produce a bloody revolution in the United States. No other country has so many social and racial tensions. We shall be able to play upon many strings there."

This from the "master mind," but before examining the plans of the fountain-head of Nazi propaganda, with regard to the United States, it is advisable to examine further into certain Far Eastern manifestations. According to reports in late copies of American magazines arriving in Shanghai, the head of the powerful Nazi propaganda organization in the Far East is Franz Huber, Nazi agent allegedly attached to the Tokyo Home Ministry. Huber's activities allegedly are in accordance with the terms of the 1936 Anti-Comintern Pact. There are said to be more than 2,000 Nazis in Japan, who exercise potent influence on Japanese affairs, particularly military policy.

Demaree Bess, former correspondent for *Christian Science Monitor* in the Far East and later in Russia, writing in *The Saturday Evening Post* said that Hitler would not use his military weapon against the United States. He would use an "unexpected" weapon—the weapon of revolution, which, in America's case, means civil war. The following are Hitler's own words: "The American people is not yet a nation in the ethnographic sense. It is a conglomerate of disparate elements. It is only the raw materials of a nation. And the Yankees have failed to create a nation from it. They have, instead, kept their noses in their moneybags. Today that is being avenged. Their difficulties will become insuperable."

"On the Road to Mandalay"

China Today, New York

"And he's carrying Chamberlain's umbrella."

Space is not available for an extended discussion of Nazi plans for attacking America, but the German leaders, Hitler, Goebbels and the whole crew of them, including their cheap imitators in Tokyo and Nanking, look upon the United States as a sort of "geographical expression," rather than a nation, to quote the words of Yosuke Matsuoka, present Japanese Foreign Minister, in referring to China. Nazi ideas about America have been revealed in innumerable books. To quote further from Mr. Bess, "The Germans see our millions of unemployed, our millionaries, our Negroes, and our Ku Klux Klan; our Jews and our anti-Semitism. They see these conditions as weapons which we will use against ourselves to destroy our unity as a nation."

***

Among Nanking's propaganda journals is a bilingual called *Voice of New China*, which is published in Nanking. The latest (Aug. 15) issue contained a "stern warning" to the United States. The article referred particularly to the dispute over the Shanghai defense sectors. Briefly it said,

"The future destiny of New China and Japan are inseparably bound together and these countries will unite their efforts to prevent the United States from exerting

undue influence in this part of the world. America lies far across the Pacific Ocean and it is unthinkable and absolutely unwarrantable for her to extend her claws over East Asia. It is a pity she has not taken the lessons of the past three years to heart . . . ."

Of greater interest, however, was another item in the Nanking paper, stating that the Nanking Government had greatly increased its subsidy for the press, particularly those journals which have been attacking Americans, American institutions and American policy.

Domei Agency Lives Up To its Reputation

MR. F. Tillman Durdin is the Chungking correspondent of the *New York Times* and has earned a reputation as an honest and painstakingly accurate journalist. On July 25, shortly after the British action in closing the Burma route for transportation of supplies into China, and the French action in similarly closing the Hanoi-Kunming railway, Mr. Durdin wrote a lengthy dispatch to his paper, describing the dark outlook which these actions had created for China and the feelings of Chungking officials.

A summary of the dispatch was cabled from New York by the Japanese *Domei* agency and appeared in part in *The Review* of August 3. In this summary, Mr. Durdin was reported as saying that an unbroken series of misfortunes had affected the Chinese National Government and had caused a large proportion of Chungking officialdom to favor peace with Japan on the best terms possible.

This week, we received the complete text of Mr. Durdin's dispatch. The relevant section reads: "Chungking officials admit that the outlook is the darkest since the war began. Some indeed have considered the possibility of making peace on the basis of the best terms obtainable. The dominant section, however, is for continued resistance . . . Preponderance of evidence points to a dogged continuation of the war for an indefinite time to come."

As can be seen, *Domei* has once more lived up to its well-earned reputation.

U.S. Red Cross Resuming China Aid as Fresh Monies Arrive

THE American Red Cross, functioning in China as the American Advisory Committee, discontinued its work here several months ago, but will shortly resume its service, according to telegrams received in Shanghai this week from the headquarters of the organization in Washington, D. C.

Major Arthur Bassett, chairman of the American Advisory Committee, who is now in the United States, is scheduled to return to Shanghai before the end of the year and will supervise the resumption of relief activities. The use of the title "American Advisory Committee" will be dropped, according to the report, and in future the organization will function directly as a branch of the parent body in Washington. The change apparently was made due to resumption of American Red Cross activities in connection with the war situation in Europe. John Earl Baker, relief expert, who served as secretary of the American Advisory Committee, is also returning to Shanghai shortly.

Although definite information was not available, it was understood that large shipments of American "cracked" wheat are expected in China shortly for distribution to civilian victims of the Sino-Japanese hostilities.

Aside from the donation of U.S.$10,000 which the American Red Cross sent to Chungking on Aug. 27 for the purpose of relieving victims of Japan's latest air raids on the Chinese capital, it also was announced (*United Press* report from New York) that the Church Committee for China Relief had contributed the sum of U.S.$30,000 for the same purpose. The funds donated by the Church Committee in New York represented China's share of sums raised in various parts of the United States for various war relief causes started during the summer by the Methodist Committee for Overseas Relief.

K. C. Wu, mayor of Chungking, appointed a committee of foreigners to administer the relief contributions. It includes Willys R. Peck, Counsellor of the American Embassy; Arnold Vought of the Friends' Service Council, and Tillman Durdin, correspondent for the *New York Times*. The American contributions, at current rates of exchange, amount to approximately Ch.$800,000. The National Government announced that it had already appropriated the sum of Ch.$500,000 for the relief of the victims of the Japanese air raids and that an additional appropriation of a similar sum was available.

A considerable portion of the relief funds will be used for the construction of mat-sheds to house refugees made homeless by the destruction of a considerable portion of the city. A *Havas* message from Chungking stated that 40% of Chungking's stocks of commodities had been destroyed.

A report in the Chinese papers gave further details of the Japanese bombing of the town of Pishan, Szechwan Province, which resulted in the killing and wounding of more than 100 civilians, chiefly women and children who had fled there from Chungking. Among the properties destroyed was the Methodist Mission Girls' School. The students were absent on vacation, but three caretakers were killed. Pishan is widely known as the headquarters of the Institute of Rural Research, established by the National Council for Rural Reconstruction and the Mass Education Movement. The Institute is largely financed by the Rockefeller Foundation, which has appropriated the sum of Ch.$200,000 toward the work of the organization. The town has no industries of any consequence, but has become an important center for educational institutions which have been driven from Chungking and elsewhere. An article in the *Ta Kung Pao* prior to the Japanese bombing claimed that the town had been visited by spies prior to the raid by the squadron of 27 Japanese planes.

Currency Smugglers Nabbed in Japan

Evidence that currency smuggling rings are conducting large-scale operations in Japan was produced last week with the arrest of members of two gangs by Japanese police. One of the gangs was reported to have centers in Shanghai, Manila and Nagasaki. The illegal traffic has been highly profitable since the Japanese Government set an official rate of exchange for the *Yen* far above the price at which it can be bought on the free markets of neighboring countries.

On August 29 G. L. Holland and 34 employees of the American Standard-Vacuum Oil Company were arrested by the Kanagawa Prefecture Police. Together with a German woman named Sofia Zigler and a Frenchman, Soriano, described as an agent of the Gray Trading Company of Shanghai, the arrested persons were questioned. Holland was accused of engaging in various illegal exchange transactions in Shanghai, using the woman Zigler as his agent, according to *Domei*.

On August 30, *Domei* reported the smashing of a huge money smuggling ring with the arrest of 13 persons by Japanese police. The gang was believed to have brought Yen 2,500,000 into the country by illegal methods. Police were said to have first learned of the ring with the arrest at Nagasaki early in August of a Japanese dry-goods store proprietor from Manila. Interrogation uncovered a ring which extended to Shanghai and the Philippines.

In Shanghai the Japanese police arrested several Japanese on suspicion of being implicated with the gang. Among these were: Fujishiro Mizoto, owner of the Heikawkan Hotel on Range Road; Takero Ito of the New Shanghai Hotel; Toshio Fugawa, manager of the Shanghai Hotel and Toshizo Murakami. A woman believed to be connected with the ring is Tatsue Hamanaka, who is now in Manila. She is alleged to have smuggled Yen 500,000 into Japan on one trip.

A small-scale Chinese smuggler, Chao Hsang-pa, who kept a boarding house in Yokohama, was taken into custody by the Yokohama police on August 27. After three days of grilling by his captors, Chao evidently decided death was preferable to whatever method of barbarity they were using to extract information from him. He jumped from the open third-floor window of the Yokohama Water Police Station and died of a fractured skull.

The similarity between Chao's death and that of "Jimmy" Cox, Reuters correspondent, in Tokyo last month, was strikingly close. In both cases the arrested man underwent lengthy police interrogation. Cox was accused of espionage and the Japanese said his fall from the police station window was voluntary and an admission of his guilt. The consensus of world opinion (outside Japan) has been that he was driven to the act. Chao being Chinese, the technique may have been cruder still. He may actually have been thrown out.

94-007

In Japan's New Political Structure the Army Takes The Place Occupied by the Party in a Fascist State

BY HUGH BYAS

New York Times Magazine

Editor's Note:— This revealing article by the Tokyo correspondent of the New York Times explains very simply and clearly the political transformation which is taking place in Japan under the direction of the Premier, Prince Fumimaro Konoye. The attitude of the Army toward the new political structure-to-be, was stated by the War Minister, Lieut.-Gen. Hideki Tojo, on Aug. 28 at the inaugural meeting of the "Preparatory Committee for the Establishment of a New Political Structure." He declared, according to the Domei agency, that the Army was an independent organization under the direct command of the Throne and could not be fused into the new political structure, with which, however, it would keep in close touch. Vice-Admiral Zengo Yoshida, Navy Minister, said he shared view expressed by the War Minister.

FOR good or ill or the usual human mixture of both, Japan's latest crisis has marked a definite stage in her political evolution. She is moving into a modernized but essentially native system of semi-military government. In violent revulsion from Western institutions too hastily adopted after Commodore Perry's loud knocks had awakened her, Japan is swinging back to the old military pattern she wore for centuries.

Analogies drawn from Western things should be applied to Japan with caution; they usually fit as loosely as sackcloth on a ballet dancer. Using Western equivalents where they are applicable, however, it can be said that the Japanese Army for the last ten years has exercised an influence comparable to that of an aggressive dominant party in a democratic system. The present change stabilizes the army's influence on the administration and makes it regular and permanent. This powerful army is democratic in its own Japanese way. All the young men pass through its ranks. It officers are drawn mainly from the country's middle-class. Their pay is scanty, their professional pride immense. Their social standing is unquestioned, yet it is not the kind of social standing that brings invitations to parties.

The army has taken the whole of Japanese youth under its wing. It drills schoolboys from the age of 14 upward, it supervises young men's associations which serve in many useful ways as a sort of auxiliary civil army and it manages the Reservists Association, into which all time-expired conscripts pass. In one way or another, although the army might not be able to poll as large a total of votes as the new unified political party can register at a general election, it has 90 per cent of Japan's young men marching with it.

This is power, and Premier Fumimaro Konoye's plan will recognize facts and try to adapt the government machinery to conditions in which it must operate. The essence of Konoye's reforms is that political parties are being swept away and power is being concentrated in an inner group consisting of the Premier, appointed by the Emperor; the Foreign Minister, chosen by the Premier, and two service Ministers chosen by the Army and the Navy respectively. The driving force of this Inner Cabinet is furnished by the army and the army's driving force is its adventurous young officers with careers to make, educated in a rocklike faith in Japan's imperial mission.

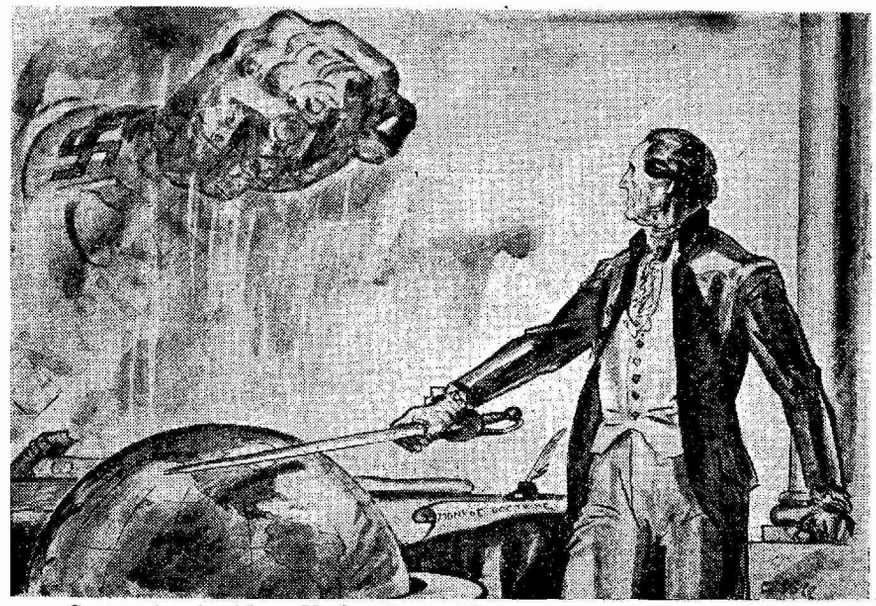
Japan has not developed Nazi or Fascist parties because the army, particularly its active core of young officers, has already embodied in itself those patriotic nationalist sentiments which Hitler and Mussolini cornered in Germany and Italy. In the past decade foreign governments have usually been dealing with a Japanese Cabinet of conservatives, the type which tried to moderate the army's fervor. Henceforth they will be dealing with a Cabinet in which the army's influence is openly strongest.

Smoothness, simplicity and legality were features of this overturn, an event which in liberal countries would have been a violent coup. The mechanism employed was entirely constitutional. The army exercised its right to withdraw the War Minister and refuse to appoint another and the Cabinet went down like a boat with the plug drawn. Cabinets have been scuttled before by the

MATSUMOTO GIVEN APPOINTMENT TO PREPARATORY COMMITTEE

Mr. Shigeharu Matsumoto, managing editor of the Domei News Agency and one-time manager of the agency's Shanghai bureau, has been appointed to membership on the Permanent Secretariat of the Preparatory Committee for the New National Structure of Japan, The appointment was approved by the Japanese Cabinet on Aug. 30, thus bringing the membership of the Permanent Secretariat to seven.

The "Holy Alliance" Again?



Cartoonist in New York Times Magazine depicts Hitler menace to Latin America as similar to the Holy Alliance, which placed Maximilian on the throne in Mexico and brought the Monroe Doctrine into existence.

same means. But the issue this time did not arise over a specific army matter such as military appropriations or creation of new army divisions. The army was getting all the money and all the soldiers it wanted. Its free hand in China was not being hampered. It ousted the Cabinet because it disapproved of the general Cabinet policy regarding domestic reform and foreign relations. The army, in fact, exercised the authority of the British parliamentary majority in unseating a government, or the American people's majority in ousting the administration.

Yet the Japanese Army cannot be charged with usurpation of powers. Its action is a natural product of a system entirely different from ours. When an American tries to explain the American philosophy of government, his mind will circle like a homing pigeon to Washington, then to national conventions in Philadelphia and Chicago, thence in a beeline to the old New England town meeting and government by the majority. The Japanese mind flies back to a different nest. Its idea of the State is not a magnified town meeting, but a magnified family council. Its idea of government is not the voice of the majority but the unanimous compromise of a family council. The army is the strongest member of the national family and that relationship constitutes its moral title to political power.

The historical soil from which modern Japan has arisen is saturated with traditions of military rule. The old government which disappeared in 1868 was called Bakufu—literally, "camp government." Its chief was called the shogun, literally "generalissimo." Its system was an organization of the military class and administration was concentrated in the hands of the samurai, the military caste. When that government was overthrown the victorious clans continued to govern Japan down to approximately 1914, when representative government's brief innings began. The old clan divisions became meaningless, but the Japanese State still retained the clan or big-family pattern.

Strongest of all clans of modern Japan is the army, and by democratizing itself through conscription it is closer to the masses than the samurai ever were. If the Japanese Army were accused of interfering in politics, the reply would be that "modern conditions have thrust politics upon us."

Defense today is not only a question of training fighting men. Total war requires that the whole nation be organized behind the guns. Patriotism must be inculcated, dangerous thoughts exterminated; therefore education and liberty of press and platform concern the army. Armaments mean money, and the army places officers in the Bank of Japan to study high finance. National expansion demands heavy industries, and these must be developed at the cost of more profitable light industries. Raw materials and fuel must be found in territory controlled by Japan. To the military mind this logic is irrefutable; therefore the army must have a say in all policies, and so the nation drifts inexorably into national socialism.

Japan is numbered among the Nazi-Fascist States today not because she wears their shirts but because she shares their philosophy. She has dispensed with the Fascist or Nazi party because in the fighting service Japan already possessed a powerful constitutional vehicle for nationalist politics. As for the army's politics, these, technically, do not exist; but the young officers' ardent views, often expressed in conversations with their military superiors, are no secret.

Japan's political disputes of recent years have centered on the question of the army's political power. Prince Konoye, almost the only man in Japanese politics who speaks frankly, says the problem is to find a method to associate the Supreme Command with the Cabinet in the general administration. Prince Konoye also says the Cabinet should not be a group of yes-men to the army. He proposes, therefore, to organize a single national party representing the people and reinforcing the civilian element in government.

Considering the history of the Japanese parties, Konoye's experiment does not seem promising. His conglomerate party will resemble a live political party about as much as an inflated sausage skin resembles a sausage. The new political structure of which Konoye is the architect is a combination consisting on the one hand of a powerful national army entrenched in the inmost citadel of the Constitution and on the other a conglomerate mass of politicians who are without function except for a two months' session annually. Prophetic gifts are not needed to see who will be the dominant partner.

But every country gets the government it deserves, and a defective native system may turn out to be no worse than prematurely imported democratic novelties.

Thirty Students Executed in Peiping as 'Chungking Agents'

THE Japanese authorities in Peiping announced late in August, in a *Domei* dispatch from Peiping, that 18 "Chungking agents" had been executed by the Japanese on August 8 and that 40 others, said to be accomplices, had been given prison terms. The brief message gave no other details, except the alleged discovery of underground espionage activities in Peiping and Tientsin.

Foreign residents of Peiping who arrived in Shanghai this week brought fuller and more startling details regarding the Peiping executions. The "Chungking agents" who were executed were all middle school and college students ranging in age from 13 to 20 years. Two of the students, a boy and a girl, were from the American missionary Yenching University, but most of those executed or given prison terms were students in Peita, the former Peiping National University, which has continued in operation, chiefly for the service of children of officials in the Peiping puppet administration. All students were tortured, according to the report.

The number of students executed was in excess of 30—and not eighteen—as reported in the *Domei* dispatch. While the details of the slaughter of students, most barbarous Japanese action since the beginning of the war, were not reported in the Peiping papers, or in the press of Japan, the details are said to be well known in Peiping, especially in educational circles.

The number of students actually arrested was 52 and the action resulted from a Japanese attempt to arrest a student named Feng, a nephew of Gen. Chi Hsieh-yuan, once Anfu military governor of Nanking, but now an official of the Peiping puppet government. The Japanese suspected young Feng of complicity in seven political assassinations which occurred in Peiping in July and August. A trap was laid for him by sending him a fake note inviting him to call on a friend. He fell into the trap and found himself surrounded by armed plainclothesmen connected with the Japanese gendarmes. The youth drew his revolver and shot three of the gunmen, two of whom were killed and one wounded. He then turned the gun on himself and committed suicide. The Japanese allegedly found lists of accomplices on his person. Other suspects allegedly were picked up through intercepted correspondence in the Peiping post office.

Among those arrested were sons of Yin Tung and Chu Shen, both officials of the Peiping government, and two grandchildren of the former Premier Cheng of Manchukuo, tutor of Henry Pu Yi. The arrest of sons of Peiping officials created a tremendous sensation and rumors are in circulation that they may be forced to resign, particularly Chu Shen, close associate of Wang Keh-min, former head of the puppet government, and Gen. Chi Hsieh-yuan, also a high official in the Japanese-supported regime. Serious uneasiness has been created throughout the North China administration.

The students allegedly were members of a patriotic organization known as the "Resist Japan, Save China Association." It was claimed that many of them were sons of officials and that they obtained the use of motor-cars bearing official licenses, which they used in connection with assassinations. The Japanese alleged the organization had received support from Chungking and claimed that the leader, Feng, had made trips to Chungking. The Japanese also claimed that the students signed an oath, which bound them to murder their own fathers if convinced they were engaged in traitorous activities. It was stated that the Japanese also had obtained information about another secret organization in Peiping, which was fostered by the Eighth Route Army.

94-009

Japan's Import Control Racket at Tientsin

BY JOHN AHLERS

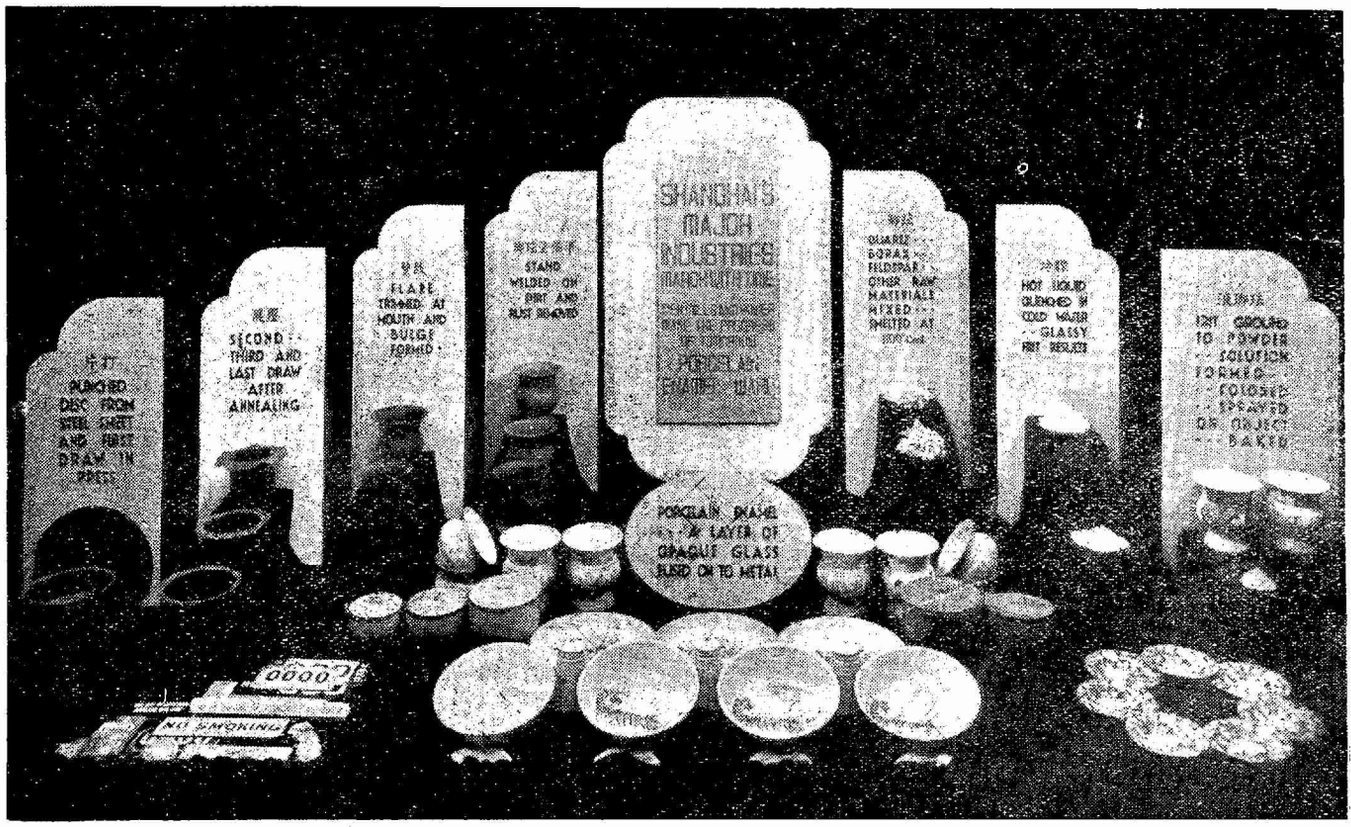
A matter likely to lead to more diplomatic complications between Washington and Tokyo in the much-disputed field of China trade is the Tientsin import control racket. During the past ten weeks, this racket assumed unprecedented proportions, and it would be foolish for the instigators to hope to get away with it with impunity. Another severe blow has been struck deliberately against American North China trade, which once more has been badly hurt and curtailed. Numerous American firms have made representations to the American Commerce Chambers concerned; the latter appealed for help to the U. S. consular and diplomatic authorities; and the American Embassy in Peiping has made serious representations to the Japanese. These complaints and representations thus far have been in vain. Instead of improving, the treatment of American trade in North China has steadily deteriorated, and it is difficult to see how the U. S. Department of State can avoid taking up the matter with Tokyo in all formality.

Officially, the so-called North China Political Council, now nominally directed by Wang I-tang of Anfu Club ill-fame, is responsible for the new foreign trade regulations enforced in North China from June 26, 1940. But the antecedents, status and character of this regime are too well known to burden it in this case with direct responsibility. Besides, Washington never recognized any of the Japanese-sponsored regimes in the enemy-occupied parts of China. The American consular authorities therefore addressed their protests and representations to the really responsible Japanese themselves, viz., the Japanese Embassy at Peiping and K. Sakatani, chief Nipponese "adviser" to the Federal Reserve Bank and inventor of the North China exchange and trade control systems. Replies secured so far are entirely unsatisfactory, and clearly show that the Japanese do not intend to right the new wrongs done to American trade in the North.

There ought to be no misunderstanding; this is not another instance of Japanese duplicity and trickery. On the contrary, the Nipponese in North China this time have taken open action to suppress finally all non-Japanese trade they do not want, and to shut completely with an audible bang the "Open Door" which for a long time has remained only slightly ajar. If Westerners expected that the lifting of the blockade of the Tientsin British Concession would lead to an improvement in foreign trade conditions in the North, they are by now disillusioned The Anglo-Japanese agreement which ended the blockade does not contain any provisions to that effect; nor did the Nipponese recently make any such promises. On the contrary, Dai Nippon's official and unofficial spokesmen of late did not leave the slightest doubt that, in their conception of Tokyo's "New Order in East Asia," North China trade is to be a strictly Nippon-regulated affair, and that Japan will no longer hesitate to make it such. The Anglo-Japanese arrangement on Tientsin stands revealed as a mere face-saving device, all too thinly veiling the fact that in North China the British capitulated to the Japanese. While individual Britons in Tientsin, when passing Japanese sentries, may now keep on their pants, all Western business men at Tientsin are about to lose their shirts.

What happened in North China is that two months and two weeks ago, a few days after the Japanese removed

Shanghai's Porcelain Enamelware Industry



Shanghai Power Co. photo

The above exhibit, showing the processes of porcelain enamelware manufacture, and some of the finished products, appeared recently in the Nanking Road display window of the Shanghai Power Company.

their barricades from the borders of the Tientsin British Concession, exchange control of imports was generalized. Since June 27, the North China Maritime Customs pass imports only when covered by the special import permits made out by the Peiping Federal Reserve Bank. This bank refuses to grant import permits except under the so-called export-import link system. Under this system no import business may be transacted that is not "linked" to a simultaneous export transaction yielding at least 19 percent more in foreign exchange than the amount in foreign currency required for payment of the import order in question.

On the surface, this export-import link system does not appear the big racket it actually is. The system is not new, but has a history of about a year and a half. In March last year, North China experienced enforcement of exchange control in respect of 12 important export commodities. Foreign currencies produced by the exportation of these items had to be surrendered to the semi-official Yokohama Specie Bank, acting the vaudeville part of exchange agent of the Peiping Federal Reserve Bank. The Yokohama Bank paid exporters for foreign exchange in Peiping dollars at its official rate (at that time: 1s 2d) which is far above the open market rate. This meant that an American export firm in Tsingtao buying Ch.$55,000 worth of bristles and selling the goods to the U.S.A., including profit, for U.S.$10,000 would obtain in return for this foreign currency some F.R.B.$33,000, which in turn, being at a discount against Chinese national currency, would yield Ch.$30,000 or less. It is obvious that the exporters, instead of making a profit, would suffer a loss of almost 50 percent. Today, the difference between official and free market quotations of F.R.B. dollars in terms of foreign currencies is wider yet. Peiping now officially quotes the F.R.B. dollar at slightly less than 25 American dollar cents, while the open exchange market offers but little more than five American dollar cents, ie., but one-fifth of the official quotation. North China prices, however, have soared in sympathy with the open market rate. In the above instance, the Tsingtao American export firm now would have to spend some F.R.B.$170,000 to purchase bristles that can be sold in the United States for U.S. $10,000, while the Yokohama Bank will take over this amount of foreign currency against payment of F.R.B.$40,000 only. The exporter in qustion would suffer a loss of almost 75 percent. It is here where the link system comes in.

Since no exporter could transact any export business unless he was compensated for his losses on account of exchange rate differences, and since consequently exports would stop altogether and no exchange would be forthcoming, it is obvious that the Yokohama Bank had to provide for compensation. A source of such compensation was made available by the allotment to importers, equally at the official North China rates, of part of the foreign exchange surrendered by exporters. In the instance of importers allotted foreign exchange at those rates, of course, exchange rate differences would work out greatly in their favor. A Western firm which would import into North China some U.S.$10,000 worth of American goods would be able to sell these goods, including profit, at some F.R.B.$200,000 but would have to pay the Yokohama Bank F.R.B.$40,000 for the foreign exchange required. Importers thus would make 400 percent profit. The Yokohama Bank, however, will allot such cheap exchange only to importers who will "link" their import transactions with correspondingly large transactions of exporters, and the latter will and can agree to such link only on condition that the importers reimburse them for the loss of exchange involved in exports. In other words, in order to be able to import, importers must cede their exchange advantage to exporters for coverage of the exchange disadvantage of the latter.

This highly complicated system naturally would not yield to the Yokohama Bank any exchange, if as much exchange was allotted to importers as is extracted from exporters. The bank's principal exchange control racket is its insistance upon at least a 10 percent difference in favor of exports in all link transactions. An importer applying for U.S.$10,000 foreign exchange will have to link with an export transaction of at least U.S.$11,000; an exporter surrendering U.S.$10,000 will not be permitted to link with imports worth more than U.S.$9,100. The bank thus continuously makes on link transactions a 10 percent ramp, and thus gradually accumulates a considerable exchange fund at the expense of foreign traders' exchange capital.

The partial exchange control of exports enforced in North China in March, 1939, was generalized by extension to all exports in July last year. All North China exports effected to Western countries, or transacted by Western firms, for the past almost 14 months have been "link" exports. There is no means of checking up on North China exports to Japan proper and other parts of the Nipponese sphere of power; it has been suspected that numerous exceptions were made in favor of Japanese trade, but this as yet remains to be proven. Anyhow, non-Japanese exports from North China became extremely complicated and cumbersome, and suffered a substantial reduction. With the Japanese on the inside of the control system and all other nationals outside, the former managed to trick or force the latter out of quite a substantial volume of business. In some instances, Japanese concerns were even able to oust competing Western firms from North China export trade transactions to Western countries. Non-Nipponese import business in North China also suffered. The Japanese not only withheld part of the foreign exchange produced by exports, but also allotted official exchange only on a limited number of import goods. A "preferred list" of import goods entitled to preferential allotment of foreign exchange was decreed; all goods not on this list were to obtain official exchange only when such would be deemed available—which, of course, never was the case. This list comprised but 177 positions of the over 600 positions of the occupied areas' Customs import tariff, so that almost three-quarters of all foreign goods enumerated in that tariff were practically excluded from exchange allotment.

American and European import business in North China, as a result of these proceedings, would have been in dire straits already more than a year ago had there not been, until recently, two possibilities of obtaining foreign exchange in payment for North China imports elsewhere than at the Yokohama Bank's offices. One of these possibilities was the open exchange market in the Tientsin British and French Concessions, where exchange could be bought freely against Chinese national currency. The other possibility was the importation of Western goods via Shanghai, and payment of these imports in national currency which later, in Shanghai, served for buying foreign exchange. For the past year and a half the bulk of non-Japanese imports into North China secured foreign exchange by making use of these two possibilities, while exchange allotted by the Yokohama Bank to importers under link contracts accounted for exchange payment of but a very minor portion of these imports.

What has happened recently in North China is that from June 26, 1940, the two chief possibilities of obtaining foreign exchange for North China imports have been made to disappear. Only "linked" imports are being passed through the North China Customs, and the scope of these "linked" imports has been considerably narrowed. Even the former "preferred list" of link imports now appears to have been discarded. The Yokohama Bank, during the past 10 weeks, has refused import link permits on numerous goods on that list and, of course, on all other goods. All efforts of the American and British

authorities to induce the Japanese to issue a definite list of goods that will be allotted import permits have been in vain; the Japanese pretend that it is impossible to establish such a list. In unofficial announcements made to various Tientsin firms, the Japanese vaguely outlined as follows the allegedly intended future distribution of the total amount of foreign exchange they are willing to grant for North China imports: foodstuffs—50 percent; North China Development Company—30 per cent; mineral oils—10 percent; all other imports—10 percent.

The most neglected groups of mineral oils and "all other imports" are those which constitute the bulk of American import trade in North China. A recent semi-official Japanese estimate put monthly exchange revenue from exports in North China at some U.S.$2,000,000, whereof, after deduction of the 10 percent of exchange withheld by the Yokohama Bank as a minimum, no more than U.S.$1,800,000 can be expected to be allotted in payment of imports. The monthly quota for "all other imports" thus will be U.S.$180,000, i.e. but a small portion of recent actual requirements. The same amount is to be made available for imports of mineral oils which actually require three times as much. And these quotas, of course, include exchange allotments to Japanese firms which already enjoy the lion's share in North China imports, and which certainly will secure the bulk of the foreign exchange to be allotted.

There is not a chance for an increase of North China imports via Shanghai. The Japanese in the North are treating Shanghai as if it were situated in a foreign country, and from June 27, 1940, introduced a new special control system of so-called "imports without exchange" which applies to shipments of goods from Shanghai to Tientsin and Tsingtao. Only a small volume of such imports is to be tolerated, and this only for a certain time, the Japanese announced. Special import permits are required to cover "importations" from Shanghai and other ports of Central and South China too.

The immediate result of these new Japanese control measures has been the stoppage since June 26, 1940, of no less than 75 percent of the former imports of American goods into North China. Link import permits during the past ten weeks have been issued by the Yokohama Bank for but a small portion of American goods reaching Tientsin, Tsingtao, and other Northern ports; the bulk of these arrivals is piled high in bonded warehouses without prospect of release. Although the Japanese promised to permit the entry into North China at least of all goods shipped prior to June 27, 1940, this promise has not been kept. As regards new shipments from the United States, directly as well as via Shanghai, the grant of import permits in numerous instances has been refused outright. Several dozen American firms during the past two months saw their North China import business at a complete standstill. Shanghai shipments of American products to Tientsin and Tsingtao have almost ceased.

The way the Japanese handle the new North China import control is truly revolting. They and their Chinese agents spy upon the details of all and any American import transaction in the North and demand all sorts of information on purchase and sales prices, freight rates, insurance charges, profits, exchange contracts, etc. In many cases, the mere registration of an American exchange demand for imports has been made dependent upon revelation and approval of the ultimate customers of the goods intended for importation from the United States. And in every instance in which an American firm ventured to show an attitude indicating readiness to compromise, the Japanese demands only became more exacting.

The last word in this matter, however, as yet remains to be said, and the chances are that it will be said by Washington and not Tokyo.

Roosevelt Announces Gift of 50 Warships to Britain In Exchange for Bases; Rumania Carved Again

THIS week's outstanding development in the unfolding drama of World War II—if one excepts the renewed partition of Rumania—has undoubtedly been the decision of the United States Government to make a gift to Britain of 50 over-age destroyers in exchange for naval and air bases in British possessions in the Western Hemisphere. The decision was announced on Sept. 3 by President Roosevelt, who said that an agreement had been reached with Britain whereunder the United States, in exchange for the warships, had acquired the right to lease sites for bases in Newfoundland, Bermuda, the Bahamas, Jamaica, St. Lucia, Antigua and British Guiana, the leases being good for 88 years, according to *United Press*.

World reactions to this important development were not available when these lines were being written, but they can be anticipated. The large section of American public opinion which favors aid to Britain on a generous scale, even if only from the point of view of defense of the United States—will welcome the move. It will be just as heartily condemned by the die-hard isolationists who fear that President Roosevelt's policy is dragging the United States towards active involvement in the war. Britain will undoubtedly be heartened by the move, which may be considered as certain to bolster up the already considerable morale of that beleaguered country. In the same measure, it will probably cause dismay in Nazi Germany, not only because of the 50 additions to the British Navy, but even more importantly because a development of this kind will be viewed as another step toward bringing the United States into the war as a belligerent on Britain's side.

Meanwhile it is becoming clear that Germany's aerial *blitzkrieg* against England has failed of its objective, which was to give the Nazi air force mastery of the skies over that small but hard-fighting country. German raiding squadrons are still loosing their destructive cargoes over the island and causing considerable damage, which the Royal Air Force is repaying in kind. These actions can in no way be decisive, however, and observers are wondering when, if ever, Hitler will attempt to invade England.

Berlin released figures of German aerial activity during the first year of the war in an official statement on Sept. 1. The German Air Force, said the statement, was engaged 220 days out of the 365. It made more than 3,500 flights against the enemy and dropped some 5,000,000 bombs totalling 75,000 tons. Germany lost 1,050 planes, while the Poles, Norwegians, Dutch, Belgians, French, and British combined lost 3,100 in aerial combat and 3,850 destroyed on the ground or by anti-aircraft fire. In other words, Germany's opponents lost more than two planes to every Nazi plane destroyed. It would be more to the point if Berlin disclosed the number of German planes lost as compared with those lost by the British. The indiscriminate lumping together of Polish, Norwegian, Dutch, Belgian, French and British airplane losses is clearly intended to hide unpalatable facts in this regard.

London circles believe, *United Press* reported on Aug. 29, that Hitler intends to transfer his major war game to the Mediterranean because of the great difficulties he is encountering in the battle against England. He is expected to reinforce the Italians with a substantial force and to try to beat the British on the sea at Alexandria and on land in Egypt. Germany is believed to be running short of petroleum (despite the fact that she is

With Inevitable Results

The Saturday Evening Post

receiving the bulk of the output of the Rumanian fields), and Hitler is said to believe that if the Axis can win supremacy in the Mediterranean, England would be deprived of the oil she now obtains from Iraq and Iran.

Italy is following up her comparatively easy capture of British Somaliland by pressing an advance into Kenya colony. The British again seem to be unable to stem the Italian push. Military authorities in London announced that British troops had retired from Buna, caravan station in Kenya, to a point further south. Italian troops occupied Buna on Sept. 2, Rome announced. The previous day, British bombers swept over Switzerland and unloaded bombs over Piedmont and Lombardy. Other British planes raided Sardinia. At the same time, fighting between British and Italian forces is proceeding at Adarde, in the Sudan.

Having already lost Bessarabia and part of Bukovina to Soviet Russia, Rumania was subjected to a further carving-up late last week when the Axis Powers forced that country to cede to Hungary some 44,000 square kilometers of the territory known as Transylvania. The cession was decided at a conference in Vienna, at which the Axis Powers acted as "arbitrators." The "Vienna Award," as the arrangement has been designated, was handed down by the Axis on Aug. 30. When it became known, violent demonstrations occurred in Transylvania, where the populace expressed opposition to their transfer to Hungary.

By the terms of the Treaty of Trianon in 1919, Rumania acquired 102,000 square kilometers of territory from Hungary, which now gets back 44,000. The Axis Powers have guaranteed the integrity of what now remains of the kingdom of Rumania, but in view of the unrest in the ceded territory and popular opposition to the cession in the remaining Rumanian territory, there is a possibility that German troops may occupy both. Bucharest is seething with opposition to the Axis-dictated deal and there are rumors of the imminent abdication of King Carol in favor of the Crown Prince Michael.

Bulgaria is still pressing on Rumania her claim to the southern portion of Dobruja. If this area is ceded, Rumania will have lost more than one-third of her total territory and about one-half of her population to Soviet Russia, Hungary and Bulgaria. The rump Rumanian state that is now left, however, includes the very important Rumanian oilfields, 70 percent of whose output is now going to Germany.

Despite the cessions made to Soviet Russia, Rumania is still living uneasily under the menace of the Red Bear. There are complaints in Moscow that Rumanian soldiers have been firing on Soviet frontier guards in Bessarabia and the threat apparently has been made that Red troops may advance across the new Soviet-Rumanian frontier at the Pruth River. There may be more in this threat than meets the eye. A new Soviet territorial grab at Rumania's expense would be directed less against Rumania itself than against Nazi Germany. If Hitler really contemplates occupying what is left of King Carol's domain, Stalin might well calculate that it would be wise for him to try and push the Soviet frontier as far to the West as possible. Rumania may yet prove to be the rock against which the Berlin-Moscow entente will be wrecked.

Another sector of unrest during the past ten days has been France's overseas colonies. The French government at Vichy admitted on Aug. 31 that there was a "wave of dissidence" in France's west African colonies, the French Congo, Madagascar and French Indo-China, *United Press* reported. Vichy blamed the unrest—the dimensions of which have not been clearly reported—on the activity of French officers who have sided with General Charles de Gaulle, leader of the French National Committee in London and opponent of the Petain Government.

Britain lost a valuable vessel when the Dunvegan Castle, 15,300-ton auxiliary cruiser, was sunk in the Atlantic by German submarine action last week. The vessel was in the service of the Union Castle Mail Steamship Company prior to the war, plying between Capetown and Southampton. In announcing the loss of the vessel, the British Admiralty said that there were 250 survivors, but did not state the number of casualties.

Hitler: "Can't You Stop That Noise?"

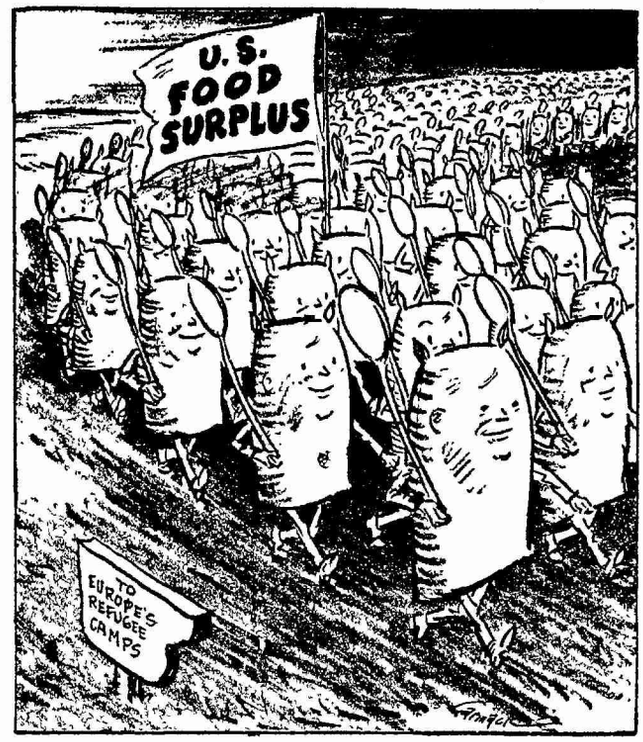
Daily Herald, London

THE WAR IN CARTOONS

"Little Man, You Can Be Famous Too"

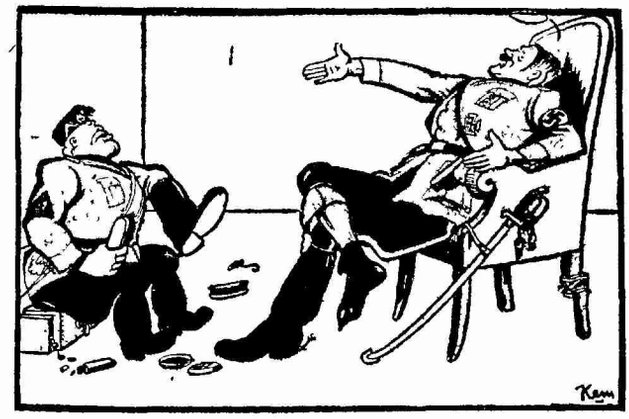
The China Press

An Army That's Needed in Europe



Carmack in Christian Science Monitor

"Shine 'Em Up"



John Bull, London

Hitler: "I shall appoint you Gauleiter of greater Italy."

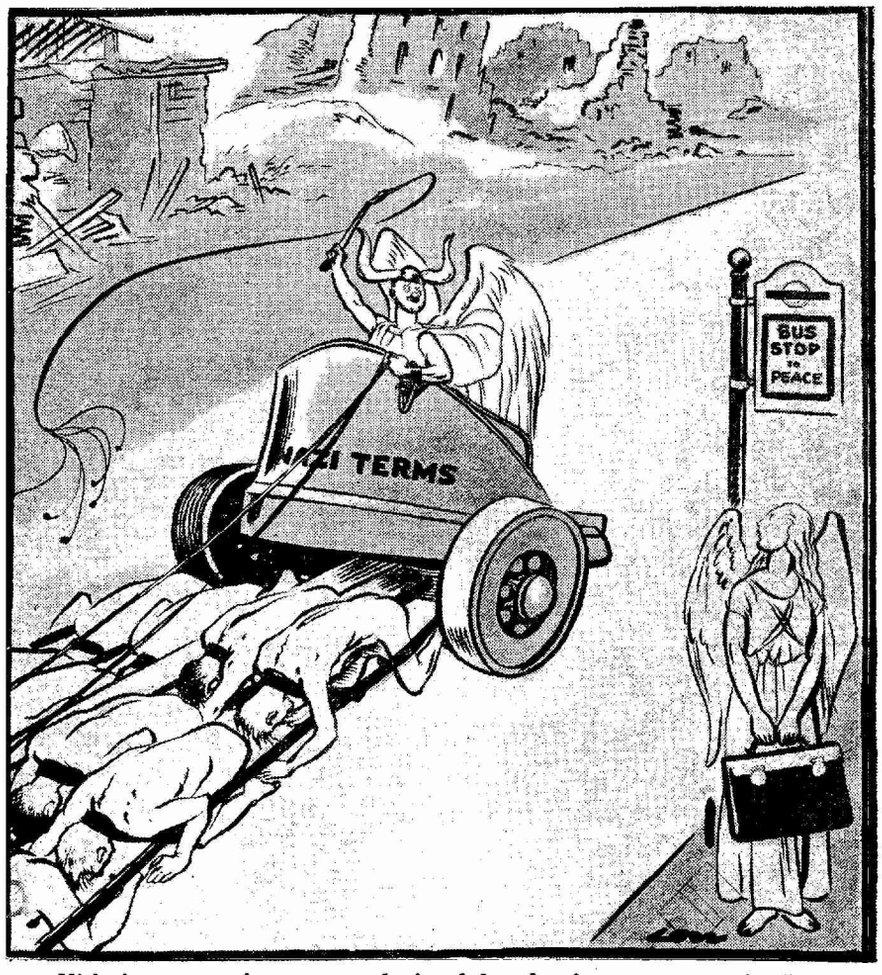
Raiding the Eagle's Nest

Strube Cartoon

Trouble Starts

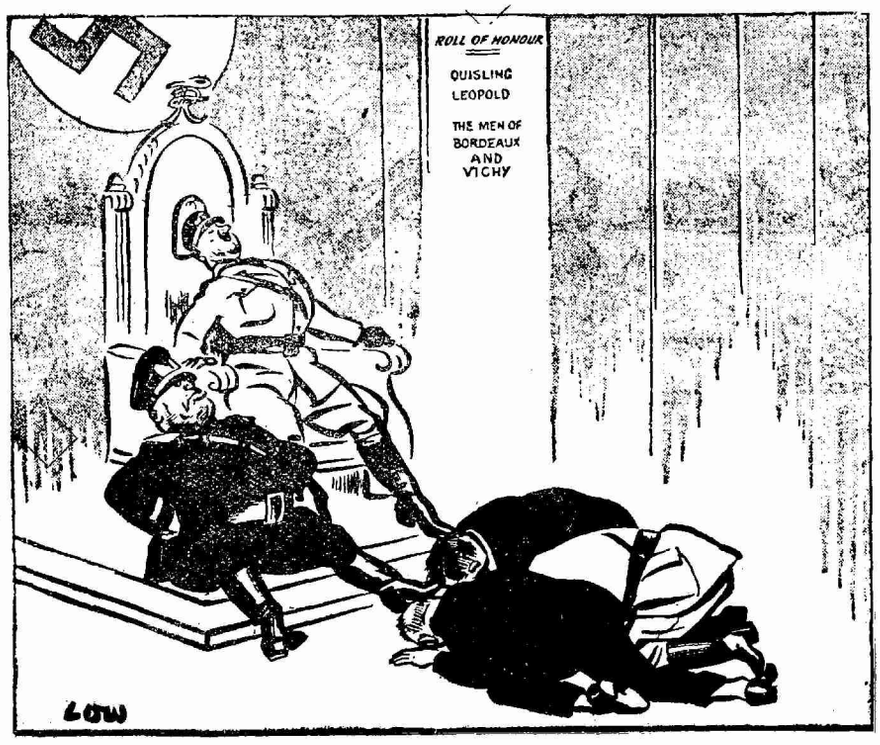
Western Mail and South Wales News

"Want A Lift, Little Girl?"



Hitler's terms of peace as depicted by the famous cartoonist Low in the New York Times Magazine.

Paying Tribute to the Victors



The New York Times

Combat in the Air

Heard the heavens fill with shouting,
And there rained a ghastly dew
From the nations' airy navies
Grappling in the central blue. . .
—TENNYSON.

Fitzpatrick in St. Louis Post-Dispatch

"Hello, Little Man!"

Pittsburgh Press

Where to Begin ?

Phoenix (Arizona) Republic

Anniversary Message

General Chiang Appeals to People Of Japan to Re-establish Peace

Editor's Note:—Following is an English translation of a message to the Japanese people issued by General Chiang Kai-shek on the occasion of the third anniversary of the outbreak of the Sino-Japanese war.

CITIZENS of Japan: Today is the third anniversary of your militarists' commencing the war of aggression. On this day of last year I addressed a message to you, wherein every conception and fact I spoke of has been proved true by the course of events in the year now past. What I said then I need not repeat. I wish today to go into some more far-reaching and fundamental questions.

During the past year your militarists have attacked China by all manner of methods, military, political, and economic. They have exploited to the full every device their ingenuity could suggest, without success. While you have been in a state of vacillation and depression, a year of great world changes has passed. These changes have had their effect on every nation, and the face of world affairs for fifty or a hundred years to come will bear their imprint. In carrying on our war of resistance to aggression, we have frequently had occasion to consider the status and responsibilities of China in the light of those changes, while Japan's position has engaged our attention in a similar sense.

The Way of Truth

What I wish first to bring up today is this point. The following is my simple but relevant view of the matter. History shows that nations rise or fall accordingly as they hold to, or depart from, the way of truth. The history of a nation's fortunes is always fashioned after its own nature. During three years of your cruel oppression, we have constantly reflected upon our own state of mind to guard against committing the errors history warns us to avoid. I need not hesitate to declare that China's philosophy of the Three People's Principles is absolutely sound morally. However the world situation may alter, China is therefore certain of national survival. In the case of your country it is far otherwise, for to put it in a single phrase, Japan has by now lost the basis of her national existence.

I cannot go at length into matters of theory: the merest analysis of the facts concerning your international policy will enable you to see the true status of Japan in the world today, and whether your future is likely to be happy or tragic, secure or unsettled. The first question I would ask you is: with whom among the nations of the world is Japan on terms of real friendship? In a moment of sober meditation, you may well be alarmed, for Japan today has really not a single true friend in the world.

Flattery and Insult

This is the result of the world policy pursued by your ruling class—a policy of flattering the strong and insulting the weak, making profit the only consideration, thinking military force omnipotent, and disregarding good faith. Your extreme contempt for your immediate neighbors has been an especially important factor in weakening your national prestige. Towards America and the countries of Europe you have lacked sincerity, violated your pledged word, always seeking your own advantage, never helping others in distress, and devoting yourselves entirely to methods of deception and selfishness. All the powers have thus been led to be on their guard against Japan, and to regard her as a potential enemy. The nations of Eastern Asia directly affected by Japanese depredation are naturally disposed to combine with all forces in the world opposed to Japanese aggression. This has long been the situation, but during the past year the case has been rendered even clearer.

Soong Sisters March in "Unity" Parade

Mmes. H. H. Kung, wife of China's Finance Minister, Chiang Kai-shek, wife of the Generalissimo, and Sun Yat-sen, widow of the founder of the Chinese Republic, march through the streets of Chengtu, in peasant hats and costumes, in a parade demonstrating the national solidarity of China in its opposition to Japanese aggression and the rule of the puppet Wang Ching-wei.

Let me refer to one incident in particular. During the last European war Japan declared war on Germany without any proper reason or necessity whatever. Nominally, she was assisting the Allies, but in fact she was out to seize Tsingtao and achieve other aggressive aims in China. At the time of the Peace Conference, she was one of the five great Powers sharing the responsibility of drawing up the Versailles Treaty. By becoming a member of the League of Nations, your country posed as a foundation-stone of world peace. Post-war Germany made an equitable agreement with China, then incapacitated by the laissez-faire attitude of the Peking government from taking any part in European affairs. In Germany's darkest hour Japan was not heard to express any sympathy for her, nor was she heard to express dissatisfaction with the principles of the League. Only when the League had something to say in disapproval of her occupying four of China's provinces at the time of the Mukden outrage did Japan indignantly withdraw from it, breaking her obligations, rejecting all criticism, and feeling no shame but rather hate for others. From that time the countries having close concern with the Far East—America, Russia, Britain, and France—looked more and more askance at Japan. Germany, before she had completed her rearmament, she consistently slighted, until three or four years ago, when she began to press China to join an anti-Comintern front, and China was unwilling to do so. Germany was by then very strong, and Russo-German relations were at their worst. When you succeeded in wheedling Germany into the organization of the Three-Power Anti-Comintern Bloc, she was clearly your country's dupe in the matter, for your aim was to make her useful to you, in no way to assist her. All that Germany got out of the arrangement consisted of beans from the northeast of China, bartered for airplanes and finished industrial products.

One-Sided Arrangement

Japan's gain, on the other hand, apart from such machinery, has been the moral support Germany has acorded her in the matter of threatening British and American interests in China, and coercing Russia to withdraw her garrisons from Siberia. Japan has never entertained any notion of lending Germany a helping hand in Europe: when last year Germany hoped for a military alliance with her, she fought shy of the proposal. Germany, aware of Japan's intrigue, resolved immediately to change her policy by resuming amicable relations with the Soviet Union. You people of Japan must realize that the conclusion of the Russo-German Non-Aggression Pact last year was an indication of the total bankruptcy of your foreign policy, for, since your militarists started their war on China, with its accompanying attack on European and American interests in China, they have again and again declared the Anti-Comintern Pact to be the axis of Japanese foreign policy. When that Pact became virtually obsolete, Japan was left without a leg to stand on internationally. Your country fell into an unsteady and worried state of mind, but its ambitions, together with its policy, remained.

When the European war began, your government declared it would not participate in it, but made no declaration of neutrality. This was tantamount

to a confession to the belligerents that Japan intended to take full advantage of the war and play the role of an opportunist. Its intention was, of course, to blackmail Britain and France, without giving Germany any real assistance. Japan was out to gain anything she could from the war, towards the attainment of her desire to conquer Asia and control the Pacific. In reality, however, Japan is so hampered by her war of aggression that she is powerless to make any further gamble. She also apprehends the might of the United States in the Pacific. Since September of last year she has been tantalized by hopes for gaining more and fears of losing more.

Only Evil Fruit

Japan will never, I assure you, find an opportunity for profiting substantially by the changes in the European situation. If you manage to make some slight and transient gains, you will find they bear you only evil fruit. In the world, modified as it is by recent disturbances, Japan will stand in greater peril rather than otherwise. You are approaching a crisis of extreme gravity, to which, however, your embarrassed militarists are blind. They have now created the new phrase "Asiatic autonomy," apparently supposing their design of conquering China and controlling the Far East may stand a better chance of success under yet another name. In fact, they have already made themselves the laughing-stock of the world, and with every fresh absurdity only further expose themselves to its ridicule. Japan has fallen into a state of isolation for which she will find no remedy. This, and the consequences, you will have brought upon yourselves. Not only isolation, but opposition from all sides is menacing you. A glance at world affairs will show you that small and weak countries are not the only ones to lose their independence and existence, the strong and populous may equally meet that fate.

What of you and of your militarists, with their contempt of moral considerations and their baseless confidence of ability to conquer Asia and dominate the world? Since the time of the Mukden outrage they have believed that by the occupation of China they could build up a continental empire and drive out British, American and Russian influence from Asia. In this way your so-called "Asiatic Monroe Doctrine" was to be put into effect. On the contrary, Japan's national strength has been irremediably weakened by her aggressive continental policy. You promote your "Monroe Doctrine" of "Asiatic autonomy" by the contradictory process of denying every Asiatic nation its right to exist independently, or to exist as anything but a slave to you. Does anyone suppose the American Monroe Doctrine has any such meaning? With this sort of topsy-turvy thinking, your militarist rulers are, as it were, "painting food to satisfy hunger."

Wish Speedy Ruin

For fifty years or more your militarists have been attacking your neighbors. The latter's resistance is now shaking your country to its foundations. I may freely say on behalf of the oppressed nations of Eastern Asia that they are all calling down upon Japan her speedy ruin. For scores of years Japan will be no military match for any strong country, while her impaired prestige will deprive her of friends. A great storm arising out of the vicissitudes the world is now passing through may at any moment find you unequal to maintaining a foothold. This cheerless outlook for your future comes of your militarists' flouting of the fact that nations must adhere to consistent principles if they are to stand.

If your ruling group is aware of the perils I have spoken of, they nevertheless persist in their vicious errors, plunging ever deeper into their conflict with truth and fact. At present your militarists are still dreaming of finding in the European war means of quickly destroying Chinese independence and subsequently employing Chinese manpower and resources against the world. Would not three years of bloody warfare have sufficed to conquer China, if she were to be conquered? By now China has been proved capable—perhaps uniquely capable—of keeping up genuinely prolonged resistance in defiance of aggression. For one thing you must not forget that, being the world's largest agricultural country, she can render herself absolutely self-sufficient and unaffected by blockade; that she has vast masses of soldiers, of whom every recruit knows what he is to fight for; that she possesses a 5,000-year-old civilization and that the spirit of the Three People's Principles animates her. These are factors that determine her invincibility.

Had Japan never insulted China, but pulled up short of the precipice of war, prepared to work together with her on terms of equality, she would have secured her appropriate place and legitimate interests in Eastern Asia. Or, if your rulers would now recognize the error of their ways and unconditionally withdraw their forces from Chinese soil, giving up all occupied territory and extra privileges, Japan might again claim to have statesmen, to be truly seeking good relations with China, and ready to contrive, in company with her, lasting peace and prosperity in Eastern Asia. Your militarists, however, clung to the dream of a dictated peace under the fallen walls of Nanking and Wuhan. Thus they demonstrated their impolitic failure to understand the new China they were fighting, and the fact that their war strategy was quite disharmonious with their policy as a whole. They continued to pile mistake upon mistake.

Chengtu Afire After Japanese Air-raid

Photo by Thomas Kwang

Japanese planes raided Chengtu, capital of Szechwan Province, on July 24. This picture, taken from a point outside the city, shows a billow of smoke rising to the sky from a blaze started by an incendiary bomb.

I once read a book by a Japanese on the subject of human geography, and I remember it began with these phrases: "Events are not to be explained apart from men; men are not to be explained apart from geography. For a knowledge of human events, make your first approach to geography". It is a pity your militarists have paid no attention to this advice. I said last year that they had taken no account of the spirit of our people; today I am inclined to say that they have taken still less account of that important element in war—geography. With a country of such area and population as China's there can be no question of success for your militarists' plans of "speedy victory in a short war," save perhaps at a period such as that of the declining Ching dynasty or that of the corrupt and cowardly Peiyang warlords, whereas China has now been long under the influence of the Three People's Principles; the nationalist principle in particular holds sway over the minds of the entire people. As for a protracted war with China, the militarists knew they had no reason to expect victory in such a war.

In their overweening pride and conceit, they present a spectacle of ignorance both of themselves and others. When they decided on large-scale military operations at the commencement of the war, they belittled it first with the term "North China Incident" and then later, after the outbreak of hostilities at Shanghai, the "China Incident," as though this unprecedentedly long and wearisome war were for them a mere local incident. This was partly due to their old habit of making light of China and disregarding her as an independent country worthy of equality with others. At the same time it was clear enough that their intention was to use this word "incident" to deceive you by suggesting that there would be little difficulty in disposing of the war in a short time at small expense. As things have turned out, however, the war has already been going on for three years, your sons and brothers and friends have been compelled steadily to flow into the battlefields of China, whereon for all the exceedingly heavy casualties among them no decision has been reached. Have all the hardships you have endured at the behest of your militarists

94-017

brought you any nearer to a solution of the "China Incident?"

Let me remind you that your rulers have, during this year gone by, heaped additional outrages upon China and created for you circumstances even more desperate than before. They concluded, at last, the secret agreement with the traitor Wang Ching-wei whereby they hoped cheaply to destroy independent China, draw wool over the eyes of the world, and extricate themselves from their critical predicament. Actually, the world has neither swallowed this fraud, nor has the so-called "China Incident" been by its means brought any nearer to an end. On the contrary, Chinese determination to resist has been intensified. Generations of your people to come will have to face the evil consequences of a future ruined by nothing but these ideas of a "conquest of China" and "enslavement of China." You can avoid unimaginable disaster only by repenting and foregoing those ideas.

Plan to Split

Under the agreement with Wang, your militarists planned to split China into several fragments, all to be controlled by Japanese agents behind various forms of nominal puppet Chinese administrations. Chinese territory, manpower and resources were thus to be put at Japan's disposal, while the traitor slaves held up to the world placards inscribed with their valueless titles of power. The world has surely never seen a viler design for subjecting and enslaving a people. While Wang may, conscienceless as he is, do the bidding of his Japanese masters, our whole army and people unanimously recognize the truth. The invaders are no longer confident of being able to subdue China; they desire to cover a virtual capitulation with some deceptive trick. Holding, however, to their fundamental conceptions of right and wrong, the Chinese people will be content to be nothing but the splendid independent nation they have the right to be, and are not to be deceived by your misguided politicians and barbarous army men. As for the traitors and puppets, in moments of calm reflection they cannot but feel remorse and ineffectual regret at the thought of the various forms of injury they have to endure under the control of the enemy.

Cannot be Conquered

The world has by now received full proof of the fact that China is no country that can be conquered in a few days or weeks; three years of resistance have seen us overcome many difficulties and disabilities, while the spirits of our army and people have gone on mounting. Transformations in the world scene serve only to emphasize the significance and importance of China's status. Perhaps you will say: "China overestimates Japan's economic difficulties and underestimates her military strength." I declare that our first consideration is right and wrong, not strength and weakness. We strive to advance on the straight road before us, holding fast to justice and equity and undeterred, by thoughts of Japanese strength. Your militarists will find that no tricks will bring them a conclusion to the war: only a change of heart on their part can do that.

Your politicians do not understand the China of today and they have no really consistant policy. They merely follow the invading militarists blindly, being dragged by them to fly in the face of facts and realities. I have often remarked that with Japan it is not "strategy governed by policy" but "passive policy toyed with by violence". You will do well to realize that this tendency is a fatal injury to your country.

Your militarists know full well that their war of aggression in China is already a failure, and that the longer the war lasts the more terrible will be the resultant evils. Why, then, will they still not consent to withdraw their troops, but continue floundering in the mud of this quagmire? Are they acting in the interests of their country, or rather are they not entirely given up to their own private designs? They are certainly not acting in the interests of Japan, nor for the sake of her renown. They are out for their own enrichment at the cost of your ruin and distress. At the time of the Boxer Rebellion there was the silver corruption case; in 1917 there was the bullion scandal for which Tanaka was responsible—instances of venality on a scale not of course sufficient to plunge Japan into danger of extinction.

Systematic Robbery

What is now going on is of a more serious nature, however. Your officers of the expeditionary forces are robbing our people wholesale of money, antiques, and property of all kinds to send back to Japan. They are everywhere engaged in the exploitation of their power for their private gain, in smuggling and similar ways. More than one thousand documents have been published bearing on these activities. Some of this may be passed over as relatively petty. But there are also your high commanding officers and special service men conniving with traitorous merchants at home and abroad, scheming by stealth or force for their own gain, affording protection to vice, drug-traffic, gambling, illegitimate forms of taxation, and so on. Enriched thereby, they often resort to a life of pleasure and licence, depositing their money in foreign banks under assumed names, and putting out of mind all thought of returning to work in Japan. Ozaki Shiro writes: "On arriving in Peiping one is immediately struck by the evidences of corruption among the reformed warriors and their liaison with the opportunists." He also writes: "In North China the Japanese who become possessed of large houses seem bound to start running brothels: there is no commoner phenomenon in North China today. On account of this I once had a great argument with Matsumura." Stranger still: "The name assumed by the Japanese brothels is 'Committee for Cultural Work among the Resident Population.' This sort of thing naturally draws the contempt of the Chinese people." If this is how a Japanese writes of North China, you may imagine what other places under Japanese occupation are like. We have experienced and witnessed much that is far worse.

Violence and Outrage

In Japanese documents I have seen much evidence of your army men's delight in violence and outrage. "Murders." we read, "have resulted from the practice of barbarities against Chinese women." Again, "Raping, robbery and incendiarism committed by Japanese soldiers goes unpunished." And, "In many cases of soldiers' pillaging Chinese people's property, their superior officers pretend ignorance of the offences." "Officers will permit stealing from Chinese people as a means of supplying pay they should have given out to their men." These are examples taken from documents originating from your War Office.

Because of the corruption and degeneracy prevalent among your armies, discipline and self-control have been scattered to the winds. The indignation of those of you with consciences has roused you to report the truth or plan improvement, but your War Office has stigmatized, oppressed, or arrested those who have sought a change. I have seen the regulations imposed upon returned soldiers' words and conduct. One reads: "Army men on leave must carefully consider all they have seen and heard in the war areas, and in all they say to others in comment thereon they must take care lest their words have any adverse effect on the cause." Another reads: "What effect complete adhesion to fact in what is said might have on the minds of people at home, must be taken into account, a line being drawn between what may and what may not be said." A glance at these regulations will show how your authorities contrive to hide defeat from you: any news unfavorable to Japan, even though it may be true in fact, cannot be reported; anyone reporting it becomes an "anti-war element". Little wonder, then, that you do not realize the ghastly truth about the failure of the Japanese army in China.

Talk is Forbidden

Your War Office, in order to conceal its defeats, not only forbids talk of Japanese reverses, but even of facts regarding the sufferings and losses among your men at the front and casualties sustained in the field. They have even put a stop to correspondence and the sending of "comfort" packs for fear of their containing anti-war literature. This is symptomatic of the gravity of the situation continuing to develop, of the excessive degree of repression practised by militarists upon their subordinates and the people, and of the utttr falsity of the "Imperial Army's" victories, its fine morale, and the immense defeats of the Chinese army which they have repeatedly announced. There are the utterances let fall by Japanese prisoners of war, from which we have learned of the unequal treatment given men serving in your armies and of the hardships in their homes. Innumerable varieties of unjust and outrageous conduct are to be heard of: the shooting on false charges of straight-minded men, the burning and burying alive of their own wounded—a veritable hell on earth goes with the Imperial Army, both within it and without it. Yet it is supposed to be conducting a crusade!

The Liberation Lie

You are constantly told of your army's fighting to liberate China. I think it is rather your own army and people who await liberation from the grip of the militarists. What I have said is fully substantiated by Japanese documents; it is no invention of "Chinese propaganda." Unless you withdraw your imperilled Imperial Army from China in its entirety, not only will it perish but the whole Japanese nation will follow it to ruin. The men in authority over you know this too, but they will not consent to that withdrawal for the following reasons: First, the chiefs of the Japanese forces in China are mostly engaged in corrupt practices from which they are making profits on a great scale. To return home would mean for them not only the loss of what they have already gained, but also the risk of punishment. Attached to them are their money-grubbing tools, such as the Special Service organs, pacification corps and so on, who are still less ready for withdrawal and the consequent certain end of their pickings. You must realize that these corrupt elements stand absolutely aloof from the common run of your soldiery, for whose survival of death they care nothing. They are totally preoccupied with the business of filling their own pockets with swag. Second, the militarists are careless of their nation's peril. To maintain their position they must dissemble their vices and wrongdoing. They are therefore afraid of the honest men who on their return home **en masse** would eventually find some organized way of revealing the truth and impeaching their leaders. The latter leave no device or pretext untried to effect postponement of withdrawal and a day of reckoning. They have meanwhile also to keep in check those

94-018

soldiers who have already returned home and cut off those in China from contact with Japan. China, in her attitude towards enlightened Japanese soldiers, requires of them only a gesture of sincerity and cooperation for us to treat them with trust and goodwill. Since the war began a number of Japanese enthusiasts have joined in the work of saving Japan and the peoples of Asia in this way.

Excuses for Occupation

These are two reasons for your militarists' consistent opposition to a withdrawal from China. They adopt various plausible excuses to cover the motives they dare not avow. It is not that they are unaware of Japan's peril or of the fact that withdrawal is the one and only way of saving her or of the certainty of their armies' being destroyed if they remain indefinitely in China. They know equally well that China, while she is seeking nothing beyond the restitution of her territorial and administrative sovereignty, will never consent to pay Japan reparations in any form. The line they take, therefore, in excusing their reluctance to withdraw with a pretence of not being opposed to it, is in these terms: Japan, having sacrificed so much in lives and treasure, must demand of China reparations and until these are to be had no withdrawal can take place. Troops must be stationed permanently at least in North China and Mongolia to guarantee the payment of these reparations, so that there they would still have a base for their dirty dealings. China will not, however, permit any area to remain garrisoned by Japanese troops, otherwise she would never have begun resistance. Yet your militarists do not shrink from deliberately prolonging the war and intensifying the national crisis facing Japan by appeal to these arguments, ready for the sake of their own personal advantage to bring about their country's collapse. The mere fact that their ill-gotten gains are put away in foreign banks and not invested at home suffices to show the nature of their designs. In short, the militarists are not acting as they are because of ignorance of the facts but from purely selfish motives.

Consider: With your country inextricably involved in war with China and as isolated as it is diplomatically, can you still fail to unite against these self-seeking men, to denounce their evil doings? There lies your only way of salvation.

No Fixed Principles

In conclusion, I have something more to say of the causes for your militarists' failure in their conduct of the war in China. They have no fixed principles or policy; they simply pursue aggression as the only trade they know. War, however, necessitates a policy of some sort. In this conflict they have displayed no such consistent policy as they had in the times of the Sino-Japanese war of 1894 and the Russo-Japanese war of 1904. During the last three years you have poured more than two and a half million men into China. Your leaders started out with the slogan "a rapid decision in a short war." They had been fighting more than six months before they were talking of "protracted warfare." This amounted to an admission of their inability to bring about that "rapid decision." When they summoned up their strength for the attack on Wuhan by five routes, they reverted once again to the "early decision" theme. Coming to the present day, when the fronts have lengthened and the casualties sustained have grown to such dimensions, any thought of their destroying our revolutionary armies at a single stroke is an absurd dream. On the contrary, your manpower is being steading reduced by us.

I have heard of a proposal to complete a strategic line from Wuyuan, through Sian, Ichang and Hengyang to Pakhoi—longer than the breadth of Europe. "A long-delayed end to a long drawn-out war" would appear to be the more appropriate description of such a strategy as this. For some time the Japanese militarists have been alternating between the use of the old phrase and talk of a prolonged war. Then after confusing everybody's minds in this way they suddenly come out with a great cry of "blitzkrieg" warfare! You may judge for yourselves whether this "lightning" has been withheld for three years, or one flash of it has leasted for that lengthy period of time! The degree of mechanization prevailing in the Japanese army, the state of your heavy industry, and your technical equipment are all far short of German standards. In addition, China's topography and communications present obstacles that dispose altogether of any talk of "blitzkrieg" tactics. Only in our magnetic warfare lies the key to victory.

From the first time your militarists made mention of a protracted war I felt that China had already, strategically speaking, won on outright victory, for it meant they were to be compelled to fight in the manner we chose. A belligerent fighting wholly on hostile territory is indeed compelled to adopt short-term offensive tactics; if he has to hold long lines on the defensive he is at a great disadvantage. China is a land of immense area and rich in natural resources; once her attacker is aware of the defeat of his plans for an early conclusion to the war, her victory is assured. Your commanders have themselves invited strategic defeat, for they have conducted the war without any systematic strategy whatever. They can afford no admission of defeat, however; they are quite prepared to stake the whole destiny of Japan on a last venture.

Attacks Will be Smashed

On this third anniversary of the outbreak of war, I feel confident of our preparations to smash whatever fresh attack may come and attain by no very distant date complete liberation from the aggressor. Of your own sufferings I need scarcely speak—of how hardly won and insecure are your livelihoods, of the purposeless death of so many among your neighbors and relatives. Why it should be so, is a question to be answered only by your politicians and army men. First of all, ask it of Konoye and his cabinet, responsible as they are for the whole evil of the war that began on July 7, 1937. Recollect the time when three years ago your militarists brought about the "Lukouchiao Incident," and Konoye's cabinet immediately dispatched troops on a great scale, and later, when the conflict was under way, declared that it would be prosecuted until China submitted. Has that aim been achieved? What glory has been gained? Can Konoye's "New order in East Asia" be accomplished after all that has been sacrificed? Actually, you may have precipitated a century of chaos in Eastern Asia by creating hatred between the Chinese and Japanese peoples. Ask Konoye whether his policy of puppet administrations and the employment of the traitor Wang Ching-wei, now eighteen months in his pay, has done anything towards reducing the proportions of your casualties and other losses? Have the puppet administrations brought a solution to the "China Incident?" And finally you had best ask: "What national policy is Japan to pursue in the world of the future, transformed by violent changes? What of Japan's status in two or three years to come?" If she is to rely on armed force, she will be badly off, for in the list of modern powers she is steadily declining in rank. She is hampered by restricted resources and industry. If this politician, so largely answerable for the aggressive policy of his country, cannot or will not answer questions, you must seek your own answers.

These words of mine are spoken with the best of intentions, for your ancestors were students of Chinese classical philosophy for two thousand years and our hatred is for aggression, not for your people, for whom we feel sympathy rather than animosity, and with whom we are ready to work together for the welfare of Eastern peoples. Resolutely determined to resist, we are aiming only to drive your armies out of China. We wish you no evil; indeed, we hope that you yourselves will achieve a reform of your country and make of Japan a nation of peace and good faith, ready to treat us on terms of equality and respect, and enjoy with us a common prosperity.

This is the principle of our **San Min Chi I** foreign policy: it is the established national ideal of China. It is an ideal that gives us confidence in final victory, and it also gives us a certain serenity of mind in the midst of catastrophic world changes. You must bestir yourselves to a realization of your friendlessness in the world, in contrast to our position. We have as our sole enemy your militarists. And whereas you cannot stand alone and be self-sufficient, we can. I once again warn you that your country has lost the rudder of its national existence. To recover it you must start, as I said last year, by rooting out the idea of enslaving the peoples of Eastern Asia. I trust that you will give your most earnest consideration to what I have said.

American-born Japanese To do Army Duty in U. S.

The determination of American-born Japanese to fulfill their duties as American citizens and undergo military training, should the proposed Burke-Wadsworth Conscription Bill become law, was voiced on August 29 by Mr. Takeo Tsukamoto, president of the Japanese-American Citizens' League at that organization's annual convention in Portland, Oregon. The view was supported by the 1,000 delegates attending the convention, according to a dispatch to the Tokyo *Nichi Nichi*.

The dispatch pointed out that there would be a large number of Japanese-American youths eligible for military training, along the West Coast. The leaders of these youths admit that the question of their parents' position must be considered, as the latter are mostly Japanese subjects and present relations between the United States and Japan are somewhat delicate. Nevertheless, the dispatch continued, second-generation Japanese maintain that it is their duty to carry out the laws of the country of their birth.

Chungking Gives Refugees In Indo-China $50,000

The War-time Relief Commission of the Chinese National Government has appropriated $50,000 for the succor of Chinese refugees who have entered French Indo-China from the south Kwangsi war zone, *Kuo Min* reported on August 29. Request for the funds was made by the Kwangsi Provincial Relief Committee and the money has already been remitted to the Chinese Consulate at Hanoi.

Chinese Air-Fighters Battle Nippon Bombing Planes Over Chungking

BY AN EYE-WITNESS

WHILE Japanese bombing of Chungking persists, a question often asked is, "What is the matter with the Chinese Air Force?" Nothing is the matter. The consensus of opinion here is that Chinese war pilots have done their best to check the activities of the raiders. In fact, of the 50 Japanese planes shot down within the past month, 90 percent were credited to Chinese aviators and the rest to anti-aircraft guns.

Generalissimo Chiang Kai-shek was pleased with the accomplishments of the Chinese Air Force. In an address at the weekly memorial service at the Central Kuomintang Headquarters on June 17, he paid high tribute to its successes. For, against great odds and although numerically inferior, the pilots defended Chungking and attacked the raiders. Imbued with patriotism, some Chinese pilots deliberately crash their pursuit craft against enemy bombers.

Fine Fighting Spirit

Pride in China's air force is shared by many circles. The *Ta Kung Pao*, noted for its impartiality, pertinently remarked: "It may be said that our air defenders have displayed a fighting spirit of the highest caliber. The war record of our air force proves the superiority of its personnel, the excellence of its morale and the high standard of its moral conceptions...."

It may be fitting to cite an example in which the Chinese aviators upheld valor and all the fine qualities of the human race and civilization. On June 12, they tested their strength against an air armada of 117 Japanese heavy bombers which were to rain fire, destruction and death on Chungking.

The motors of three squadrons of dark-green Chinese pursuits were roaring. At the take-off line, signal flags waved them into position. One by one they took off and circled over the airport, until they got into formation 1,000 meters in the air. Soon they were invisible, patrolling Chungking from an altitude of 5,000 meters.

Veterans and Novices

The eyes of the young faces in the cockpits squinted on the horizon, searching for black dots in the glare. Some of them were veterans of the Shanghai-Nanking aerial duel days; some were young "hawks" who had just received their wings from the aviation academy. "Flowery" and "Sissy Liu" were leading their two squadrons, combing the clouds south of Chungking, when presently the first batch of 36 Japanese bombers was sighted approaching China's wartime capital.

"Flowery" wiggled his wing tips, pointed the nose of his ship southward and charged. It was a frontal attack. He half-rolled, power-dived, and pressed the electric control with his little finger. A burst of machine-gun shots rained on the enemy squadron leader. His beam-sight informed him that the first burst sent some bullets and shells into the hull of the twin-engined Japanese ship. No apparent result, though; instead, there was a rain of bullets from the enemy guns and bom-boms.

Other Chinese pursuits also approached the Japanese formation, dived, opened fire and pulled away. Another attack followed when the pursuits zoomed up after the initial charge. The two attacks forced the enemy to dump his death load in the river and on its banks before he could locate anything definite.

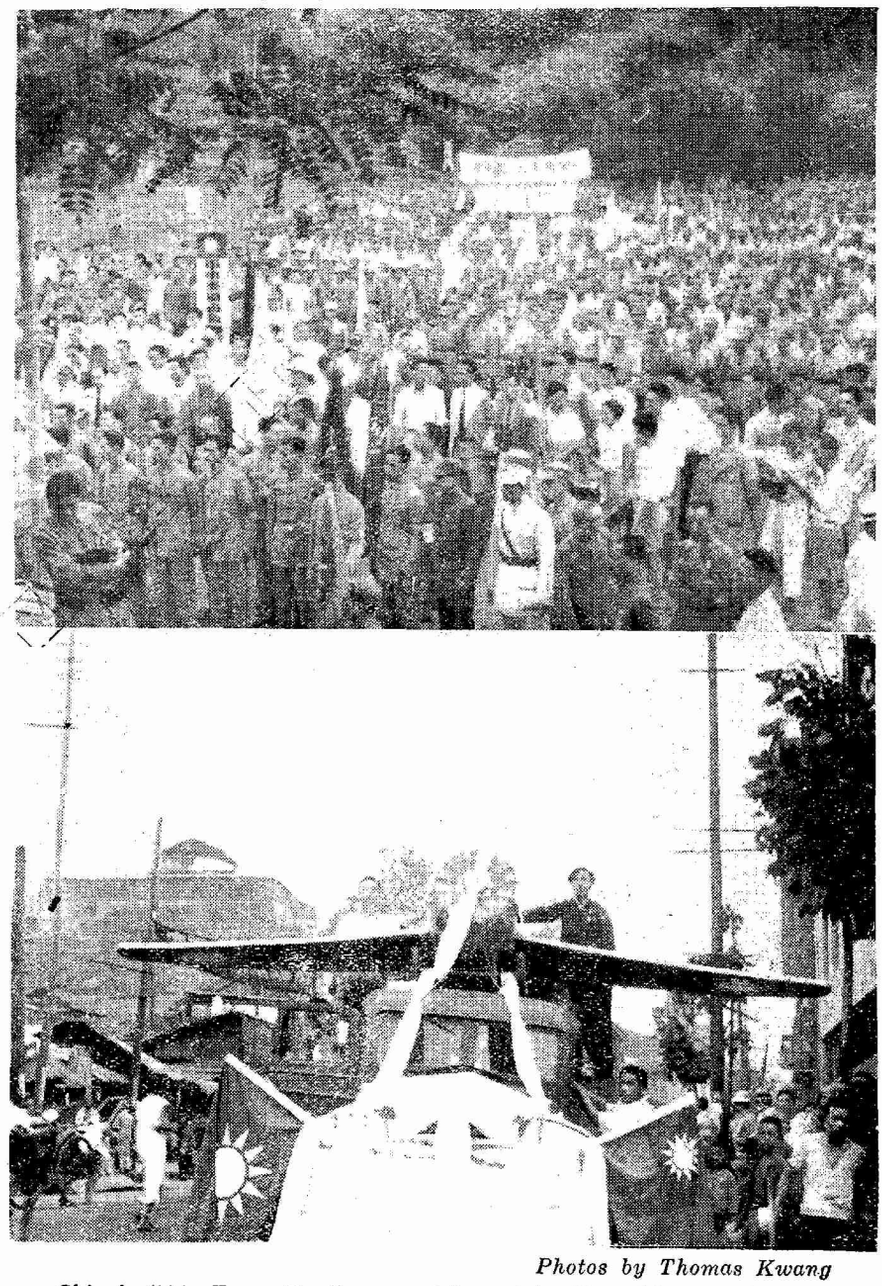
"Sissy Liu" made another attempt to strike at the enemy leader. He had its tail at the cross-hairs of the beam sight at 500 meters. Then 300 meters. Then 150 meters. Enemy bullets were whizzing by all around him. His right foot felt hot. As he pulled away he saw his foot was bleeding. He gave a kick and found his foot still able to control the rudders. He grinned.

The rest of the enemy armada was closing in. The three Chinese squadrons were in a whirlpool of enemy ships, bullets and bom-bom shells. They rolled, dived, went into spins, and climbed. They attacked and re-attacked. For more than one hour they were hotly on the tails and bellies of the enemy bombers. They saw some tailing lines of smoke behind. They saw others losing altitude. But the enemy ships refused to spin and crash.

Second Lieutenant Chen Meng-kun was furious. He resorted to a more

(Continued on Page 29)

Chungking Celebrates Air Force Day



Photos by Thomas Kwang

China's "Air Force Day" was celebrated in Chungking on August 14. In the upper picture is seen a part of the crowd—soldiers, officials and civilians—who participated in the celebration. Below is a publicity van which took part in a parade through the streets of the war-time capital. The city was subjected to a Japanese air-raid on the same day.

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Netherlands Indies Oil Products Are Object of Nippon-American Tussle?

U.S. FLEET TO USE SINGAPORE AS BASE?

The view that the Singapore naval base would be used by the United States Fleet in the event of American involvement in any hostilities in this part of the world, was expressed last week-end by Roy Howard, president of the Scripps-Howard chain of newspapers, United Press reported. Leading a party of 11 American journalists, Mr. Howard and his party were engaged in a comprehensive survey of Britain's Far Eastern fortress. The Acting Governor of Singapore, Mr. S. W. Jones, entertained the newsmen at dinner. The visitors also inspected Indian troops now stationed at Singapore in large numbers. Ending his visit to Singapore, Mr. Howard flew to Chungking via Rangoon, while the other members of the press party proceeded to Hongkong.

A TUSSLE between Japan and United States' oil interests, with the petroleum products of the Netherlands East Indies as the bone of contention, appeared to be developing this week as a group of American oil company executives arrived in the islands two weeks ahead of a Japanese economic mission headed by Mr. Ichizo Kobayashi, Japan's Minister of Commerce and Industry.

Mr. H. L. Schultz, Far Eastern manager of the Standard-Vacuum Oil Company, arrived in Manila late last week from Hongkong, to await the arrival by Clipper plane of two of his firm's New York officials. The trio left Manila for Java on Sept. 1 in a chartered Dutch plane, arriving at Bandoeng on Sept. 3. According to *United Press*, the American oil men were to engage in "important negotiations" with the Netherlands East Indies authorities, but the precise nature of the negotiations has not been revealed.

No Definite Program

Mr. Kobayashi and his party departed from Tokyo on Aug. 31 and are proceeding by sea to Batavia. According to Mr. Yakichiro Suma, spokesman of the Japanese Foreign Office, he has "no definite program" such as the negotiation of a tariff agreement or commercial treaty with the N.E.I. Upon sailing from Moji aboard the liner Nisho Maru, Mr. Kobayashi himself merely said that he would do his best to improve relations between the N.E.I. and Japan.

Oil is likely to loom large, however, in the talks which Mr. Kobayashi will conduct at Batavia, especially in view of the American embargo on aviation gasoline exports. Dutch arrivals in Manila from Java, according to a *United Press* dispatch from the Philippine capital on Aug. 30, expresed the view that the N.E.I. would be willing to sell Japan substantial quantities of oil, but would refuse to sell the unrefined product because that would curtail the operations of Dutch refineries. Standard-Vacuum's precise interest in this matter has still to be revealed.

The press of Japan apparently expects great things from the Kobayashi mission, and has been laying down lines upon which Japan's policy toward the N.E.I. should be framed. The Batavia correspondent of the Tokyo *Nichi-Nichi*, aboard a Japanese liner bound for Japan after a tour of the Dutch islands, wrote a lengthy dispatch to his paper which appeared on Monday of this week. He warned Japan against "Dutch cunning," declaring that the Indies are "more British than Dutch and they have a deep animosity toward Japan."

Allege Secret Pacts

The correspondent went on the assert that the N.E.I. have concluded secret pacts with British colonies whereby many British officers have already been incorporated in the Dutch forces, and said there was evidence that 600 British troops landed near Soebang, on the northeastern coast of Java, early in August.

More than that, the *Nichi-Nichi* man went on to declare, the Dutch in the islands are trying to cultivate the friendship of the United States by adopting a "patronizing attitude" towards Americans, especially American newspaper correspondents, who are treated as "national guests" and permitted to visit all parts of Queen Wilhelmina's island empire in the East.

By contrast, the Japanese correspondent wrote, Japanese journalists are "watched like spies and are not even permitted to cable to Japan articles from the local newspapers."

Against Compromise

Concluding his lengthy dispatch, the Japanese correspondent tendered this advice to the Kobayashi mission: "Mr. Kobayashi must be alert for Dutch cunning and never feel satisfied with small concessions the Dutch may make to Japanese demands. Compromise will get Japan nowhere when dealing with the Dutch. All the necessary natural resources for Japan today and in the future are overabundant in the East Indies. Therefore, there is no reason whatever for Japan to permit any other nation to exploit these natural resources or keep them undeveloped."

The supposed attitude of the N.E.I. authorities toward Japan and the United States was revealed in a message to the *New York Times* from Batavia on Aug. 30, *Domei* reported from New York on Aug. 30. According to this report, the N.E.I. desire the support of the United States for the defense of the islands, but since they are unsure of such support are "ready to comply with Japanese demands as far as possible, to avoid any head-on collision with the Japanese Empire until the outcome of the European war can be seen beyond doubt." The reported message concluded with this perhaps significant passage: "The N.E.I. authorities nevertheless hope that American policy will not throw

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the colony into more difficulties, especially over the oil issue, at this juncture."

South Seas Ambassador

Meanwhile, the Tokyo government has appointed a "Special Ambassador" to the South Seas and India, a move construed by the Japanese press as having significance in connection with Japan's "southward expansion policy." The special ambassador is Mr. Hajime Matsumiya. His appointment has caused some criticism in the Japanese press because of the fact that he has never previously held a diplomatic post — not even as a minister.

Army Medical Work Described in Report

Medical work with the Chinese armies at the front is of a primitive nature. Supplies are never sufficient for the needs of the wounded or to cure the ravages of disease; hospitals are understaffed and the social and economic conditions of the countryside are usually very backward. Yet Chinese medical men and a few foreign doctors have, with a fine show of ingenuity, organized a competent service which works to the utmost to succor Chinese soldiers, both regulars and guerrillas. A recent report by the China Defense League on medical work being done with the 8th Route Army on the Shansi Front is a criterion of the effort throughout China.

The medical set-up of the 8th Route Army was first reorganized in 1935 when the army moved into the northwest border region. Four base hospitals, a medical training hospital and a sanatorium for disabled veterans were established with an unbelievably small staff. The hospitals were spread over the countryside among village dwellings and caves. Each was divided into four or five sections situated within about 30 miles of their headquarters. When war came in 1937 a large part of the organization had to be moved to the front to meet war conditions. The personnel was increased by about 100 medical workers and in the rear various auxiliary departments were created, among them hygiene educational clinics for both peasantry and soldiers.

Heroic Care of Wounded

A tradition established by the 8th Route Army medical corps is the heroic care of the wounded in the midst of enemy territory where guerrilla activity is in progress. In such country as the flat lands of middle Hopei Province, the guerrillas must sometimes march as far as 70 miles from their mountain fortresses to engage Japanese outposts. The wounded of such encounters cannot be transported quickly for long distances, so they are turned over to the plain-clothes medical staff which accompanies the troops and is quartered in the homes of peasants in the district. To all appearances, the medical officers become part of the local peasantry. But during the night they creep forth with dressing cases and medicines and minister to their patients.

Despite the generous donations of medical supplies and instruments by public contribution both in China and abroad, the need for more aid is tremendous. With their usual initiative, the medical organizations of the various armies have erected factories for the re-working of foreign medicines and the production of elementary drugs, but these are not sufficient for the demand. Contributions can be sent to the China Defence League, 21 Seymour Road, Hongkong.

British Propagandist Asked to Leave U.S.

Sir George Paish, British economist now visiting the United States "to get all the help he can from America short of war," was asked last week by the British Ambassador in Washington to leave the country as soon as possible in the interests of Anglo-American relations. The advice followed swiftly on a charge made in the U.S. Senate by Senator Burton K. Wheeler that Sir George was trying to involve the United States in the war, according to *Transocean* and *Reuter*. On the heels of the Senator's allegation, the Department of Justice in Washington announced it would open an investigation into the economist's activities. A spokesman of the Department emphasized, said *Reuter*, that as Sir George was travelling in a private capacity the Department could not order but only advise him to go home.

British Take Germans From American Ship

Three German passengers were reported by the American vessel s.s. Exochorda to have been removed from the ship by British authorities in Bermuda, a *Reuter* dispatch stated on August 31. No reason was given for the seizure. The New York offices of the vessel voiced the opinion that it was the first time passengers had been taken from an American ship by the British during the present war.

Nanking-Japan Pact Initialled and Sent to Tokyo for Boss Scrutiny

ON August 31, 54 days after they first sat down to negotiate at Nanking, Wang Ching-wei, representing the Nanking regime, and General Nobuyuki Abe, representing the Japanese Government, initialled a treaty for a "final readjustment of basic relations between China and Japan." The treaty was taken by Japanese Government experts to Tokyo aboard the Kamakura Maru on September 2. After careful perusal by the Imperial Cabinet it is expected to be ratified some time in October. When that is done Wang Ching-wei's government will take on semi-dominion status in the Japanese Empire.

The terms of the treaty will be announced when it is formally ratified. Wang himself has stated that it is based on the Konoye Declaration of December 1938: good neighborliness(?), joint defense against Communism and economic cooperation between Japan and China. In one of those verbose statements which characterizes the adherents of the "peace and national reconstruction" movement, the *Central China Daily News* on September 1 outlined the true relations between Wang's China and Japan thus: "Some people suspect that the real intention of Prince Konoye is to destroy China. Now they can see it is not so, because Japan's national policy is to struggle for supremacy in the Pacific. Before Japan has succeeded in her policy of dominating the Pacific, the existence of China will in no way obstruct Japan's plan to fight for supremacy in the Pacific."

Respect Plus Domination

Could anything be more contradictory than the following excerpt from the same editorial: "Prince Konoye in his statement respected China's equality because Japan is planning to dominate the Pacific." Were the *Central China Daily News* not the paper closest to Wang, this sort of argument might be dismissed as inane. The editorial, however, has all the marks of having been written by Tang Leang-li, Wang's close friend. Still further on, the editorial compares occupied China with occupied France which, it comments, is not in the position of a colony or a protectorate to a conqueror. In fact, "their relationship is still equal." It is just such equality which may be expected from the present Nanking-Japanese treaty.

The new treaty will unquestionably emphasize the aggressive pattern of Japan's policy in relation to China, principally by giving Japan the "power behind the throne" while allowing to the semi-dominion many of the semblances of sovereignity. It may be expected that the terms of the document will conform to a large degree with those embodied in the secret agreement of December, 1939 signed between Wang Ching-wei and the Japanese. The agreement was exposed by two turncoat adherents of Wang and its terms were later substantiated to a great extent by the inadvertent writings and pronouncements of other Nanking followers. The three outstanding themes of the secret agreement were: (1) China must not act in foreign or in vital internal matters without consent of Japan; (2) Japanese assistance must be considered necessary for the development of all phases of China's economy; (3) Japan must defend China.

When the new regime was finally born in the decaying city of Nanking last March, after months during which its imminent formation was predicted at forthnightly intervals, other provisions of the secret agreement were substantiated principally from the mouths of the new puppet ministers. Lin Pai-sheng. Minister of Publicity stated that China would never pay Japan war indemnities, but might see its way to making loans to Japan, the repayment of which would be a topic for future discussion—in other words never. One of the terms of the secret agreement was the payment of an indemnity.

Another confirmation of the secret agreement was the statement made at the same time by Tang Leang-li that Japanese troops would probably continue to remain stationed in certain strategic defense zones of China even after the war was over. This idea is embodied in several clauses of the secret document and may be expected in the new treaty.

Still another provision of the secret agreement which was borne out almost word for word during the establishment of the Nanking regime, was the reconstitution of the North China Provisional Government as a "Political Affairs Commission" nominally under the rule of Nanking. In fact the Commission is accountable only to the Japanese Army, as are the "Governments" of autonomous Mongolia and Manchukuo. It is highly probable that this tendency to "self-partition" of China will be nursed by the terms of the treaty.

Army Head in China Told of Treaty

Press Union photo

Picture shows Gen. Nobuyuki Abe, Japanese "Ambassador" to Nanking, reporting the completion of his "negotiations" with Wang Ching-wei, to General Toshizo Nishio, Commander-in-Chief of the Japanese Expeditionary Forces to China. The parleys ended with the initialling of a Japan-Nanking treaty. The picture taken at General Nishio's headquarters in Nanking on Aug. 31, shows, left to right: General Nishio, General Abe, Lieut.-Gen. Itagaki (chief-of-staff to General Nishio), and Mr. S. Hidaka (counsellor of the Japanese Embassy in Nanking).

Question of Revenues

Perhaps one of the most revealing sections of the new treaty will deal with the matter of turning back Japanese-controlled revenues to the Nanking regime. Will the Customs and the salt gabelle which now pour their wealth into Japanese Army coffers, be returned in full to the new state? Hardly. It is more likely that the two parties have agreed to a joint administration during China's "period of tutelage," and no doubt the Chinese people will be asked to pay out a goodly sum for the quartering of Japanese troops on the nation. Whatever the compromise reached on this matter it is safe to say that Wang will not be allowed to get his hands on any funds that will permit him to feel independent.

A list of the Chinese delegates to the treaty negotiations reveals that only personal followers of Wang Ching-wei were present; there were no representatives from either the North China Political Affairs Com-

94-024

mission or the former Nanking Reformed Government. Besides Wang, the delegates were: Chu Min-yi, Minister of Foreign Affairs; Chow Fu-hai, Minister of Finance; Mei Szeping, Minister of Industry and Commerce; Lin Pai-sheng, Minister of Publicity; Hsu Liang and Chow Lung-hsiang, Vice-Ministers of Foreign Affairs. Assistant delegates were: General Yang Kuei-i, Director of the General Office of the Military Council; Chen Chun-po, Secretary-General to the Executive Yuan, and Chen Chun-hui, Chief Counsellor to the Executive Yuan.

One Task Left

The Japanese delegates under General Abe were: Shinroju Hidara, Counsellor to the Japanese Embassy; Mimichi Anda, Investigation Commissioner; Major-General Sadaki Kagesa, Military Attache; Rear-Admiral Hikojiro Suga, Naval Attache; Shunichi Matsumoto, Counsellor; Ken Inukai, Secretary. Assistant delegates were Captain Katsuhei Nakamura, Colonel Yahagi, Mr. Ota, Mr. Kusakaba.

With the completion of the treaty, General Abe has accomplished two of the three tasks he set out to do early this year. The first was the reorganization of the Nanking regime. The last will be to obtain official recognition of the regime by Japan.

What third Powers will think of the new treaty cannot be known until its terms are revealed. In an editorial of August 31, the *Japan Times* voiced its opinion as to how third Powers should view it, in the following terms:

"This convenant must be the cornerstone of the new edifice of Far Eastern peace. To this epochal achievement, no less, no third Power can be blind. Even those countries which have deliberately chosen to close their eyes to the new order under construction in China, must now recognize its significance."

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Trusted Hitler Aide Linked to Espionage

Capt. Fritz Wiedemann, trusted friend of Adolf Hitler, who was sent to San Francisco as German Consul-

Nazi Agent

Acme-Newsweek Photo

Capt. Fritz Wiedemann

General—with the alleged object of establishing contact with America's 200,000 Japanese residents, most of whom live in California—narrowly escaped involvement in a Nazi plot which had its ramifications in Central and South American countries. It was alleged that Capt. Wiedemann and other Nazi diplomats in Latin America were trying to intimidate delegates to the last Pan-American Conference.

Owing to the cutting off of Atlantic shipping lines, all German diplomats in North and South America must travel through San Francisco, where they embark on Japanese ships for Japan and then travel home by Trans-Siberian Railway to Germany. Capt. Wiedemann's office in San Francisco has thus become a Nazi "clearing house" for diplomats, as well as diplomatic mail and code documents.

Among recent arrivals in San Francisco was Dr. Herbert H. Hoehne, who was a passenger on the Asama Maru. He aroused the suspicion of G-men by his frequent visits to the German Consulate. Hoehne claimed to be commercial agent for I. G. Farbenindustrie, the great German dye trust. It was claimed, however, that Hoehne's real job was to transport secret diplomatic correspondence and code messages between the U. S. and Latin America. When Hoehne was first detained by agents of the Federal Bureau of Investigation, Capt. Wiedemann denied acquaintance with Hoehne although he had called frequently at the Consulate. Hoehne was finally released on US$15,000 bail, which was provided by Capt. Wiedemann.

Dies Committee Raids N.Y. Transocean Office

The Dies Committee for the Investigation of Un-American Activities' made another publicity haul in New York last week when it raided the offices of the German *Transocean* news agency on August 28 and seized a number of documents. According to *United Press*, which carried the story, the investigators found amongst their haul some books and correspondence signed "Heil Hitler." The implication was that this constituted the reason for the seizure. Had the raiders been out for anything but publicity they might have recalled that no German living in the Reich today dares send a letter through the mails, whether it be of a personal or a business nature, without appending the salute to the Fuehrer. Aside from the papers seized, a *Transocean* executive, Dr. Mannfred Zapp, was subpoenaed to produce other books and papers when he appeared before the Dies committee this week.

Tokyo Girls Make Game Of Official Censure

Not all Japanese are concentrating their energies these days on placing eight corners of the earth under one East Asiatic roof. A report from Tokyo this week revealed that chicly-dressed young girls are taking delight in collecting "rebuke" cards handed out by members of super-patriotic associations who regard a permanent wave, gay colors or any foreign influence on the person as holding up the formation of the new order in East Asia. The Tokyo lasses have, however, turned censure into a sort of fashion contest. Groups of the girls go about in search of fanatical street-corner judges and the recipient who has most cards at the end of the day is counted by her friends the best-dressed.

South Africa Votes to Fight on Against Axis

The Legislative Assembly of the Union of South Africa voted by a small majority on September 1 to continue the war against the Axis Powers after General Hertzog, leader of the Nationalist opposition, had advanced a motion that the Dominion withdraw from the conflict. General Jan Christian Smuts, Premier, opposed the motion and the House backed him by a vote of 83 to 65.

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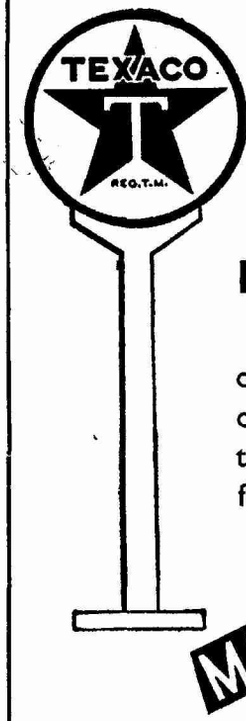

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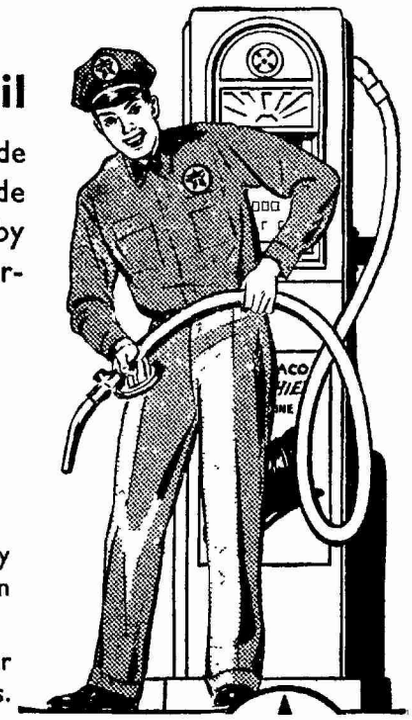


94-027

Puppets Seek to Bribe Local Police In Effort to 'Get' Wanted Patriots

INTENSIFYING their hitherto unavailing efforts to get their hands on the still-surviving Chinese patriots in Shanghai included in their list of 87 "traitors" whose arrest is sought, the Wang Ching-wei puppet administration, acting through its local organizations, has embarked on efforts to bribe Chinese members of the Shanghai Municipal Police and French Municipal Police, it was reliably learned this week.

Instances are said to have been discovered in which bribes were offered to, and in some cases accepted by, Chinese constables of the S.M.P. and F.M.P. to induce them to disclose the movements and whereabouts of the wanted men. When these attempts to suborn and corrupt the police forces came to official notice, the heads of both the S.M.P. and F.M.P. are understood to have issued a stern warning that any policeman taking the bribes offered would be instantly dismissed.

Attack on Blanchet

Attempts to bribe members of the French Municipal Police are said to have come to the attention of Lieut. Pierre Blanchet, Acting Commissioner. Six Chinese gunmen attacked Lieut. Blanchet outside his Frenchtown home on Aug. 27. Although wounded, the police official drew his revolver and fought off the thugs. He has now recovered and is back at work. The attack upon him is believed connected with his discovery of the bribery campaign by agents of Wang Ching-wei and his swift action in nipping it in the bud.

Efforts of the puppets to undermine the local police forces have followed the recent mysterious disappearance of eight Russian constables on the F.M.P. force. The men vanished without leaving a trace and with them went the sub-machine guns with which they were armed. The first to vanish was a constable named Havialin, who disappeared from his post at the side entrance of the *Shanghai Evening Post* building after an attempt had been made to bomb the premises. Whether, and in what way, the puppets may be responsible for these strange disappearances is not known.

Following the withdrawal of British troops from the defense sector in the Western District of the city, the authorities of both foreign areas have increased precautions against political terrorism and other types of crime.

Barricades and Raids

The Shanghai Municipal Police have continued search parties on the Badlands border and the French police have returned to the use of barricades at street intersections. French police search parties have been making sudden raids on whole blocks of dwellings in various parts of the Concession. The attitude of the Japanese in relation to the French authorities was amply revealed recently when a car full of Japanese contemptuously ignored the warning of a French Concession search party to halt for questioning. The incident, which occurred on September 2, was waved aside by the police but a high official of the force, interviewed by *The China Press*, declared: "We are ready for any eventualities and for anyone who wants to make trouble in Frenchtown."

In the Settlement a gang of 16 men armed with guns and hand grenades gave evidence of the type of order the Japanese Army is able to preserve in the new defense sector when they mobbed an inspector at a bus stop at Great Western and Columbia Roads on September 1. For 10 minutes the gang terrified innocent passengers without the interference of either the Ta Tao or the S.M.P. forces. On the other hand, further evidence of the Japanese infiltration into the machinery of the Settlement force was the arrest in a Foochow Road hotel on August 30 of Chow Chen-suen and Lu Yu-sin, on suspicion of guerrilla activities. The arrests were made by S.M.P. in conjunction with Japanese gendarmes. Two days before this, the Vice-Minister of Police in the Nanking regime had declared in a press interview that "There are too many units inside the Settlement police force and no close contact is maintained; therefore it is no use to hope it can operate efficiently. Hereafter, the best way is to organize a single unit composed of the Settlement police, Chinese police and Japanese gendarmes."

Korean is Murdered

The only murder of the week believed to have a political motive took place on September 3 when Liu Han-ha, a Korean, was shot and killed by a lone assassin in the Kin Hwa Restaurant on Foochow Road. Liu was connected with the Japanese-owned Central China Motion Picture Company and was president-designate of the pro-Nanking journal *Kuo Min Sin Wan*. The former chief of this same paper, Moh Shih-yang, was assassinated on July 28.

On the day of the above assassination, four Japanese gendarmes in plain clothes attempted to kidnap Dr. Pau Tsoo-yoong, prominent local practitioner, on a busy Settlement street in broad daylight. Only the quick intervention of a Chinese constable frightened the criminals off. They were later arrested by S.M.P., questioned and released when their identity was learned.

On August 30, Dr. Shen Chung-fang was kidnapped from his home in the Settlement by three Chinese. Police did not attribute a political motive to the crime.

Slayer of Leon Trotsky Indicted in Mexico City

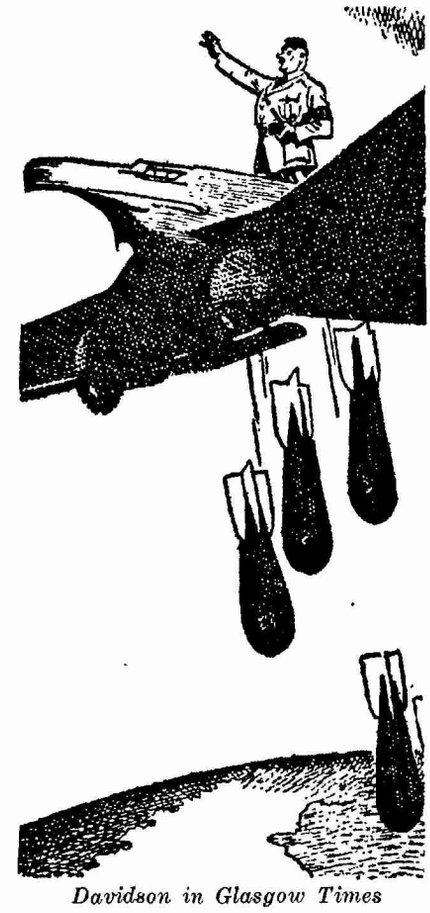
Jacques Mornard van den Dreschd and his supposed wife, Sylvia Ageloff, were formally charged with the murder of Leon Trotsky, exiled Russian revolutionist and leader of the Fourth International, in Mexico City on Sept. 1. The male accused was caught in the act of attacking the famous revolutionist with a pick-axe on Aug. 20. Two days later, the victim died in hospital. His supposed wife was arrested as an accomplice.

The press of Mexico City featured a statement on the murder by General Lazaro Cardenas, President of Mexico, on Aug. 30. The President characterized the assassination, which is generally believed to have been the work of an agent of Stalin's secret service, as a dishonorable act which "prostitutes the doctrine of the proletariat." In an earlier statement, President Cardenas declared the murder of Trotsky to be the "foulest crime in the history of Mexico."

U.S. Refugee Ship Reaches N.Y. Safely

An uneventful voyage of 11 days ended for 897 passengers of the

Bird of Prey



Davidson in Glasgow Times

American refugee liner s.s. American Legion when they arrived in New York from Petsamo, Finland, on August 28. The passage of the ship through mine and submarine-infested waters of the north Atlantic had been watched with anxiety by the world because of a German official warning, prior to the ship's departure, that the Reich would refuse all responsibility for protecting the vessel from war risk since it was voyaging through belligerent zones. Berlin advised Washington to alter the American Legion's course to a safer route, but the State Department refused to comply, declaring that the

route chosen was the only one practicable.

Crown Princess Martha of Norway and her children were among the refugees to land. They will be guests of President and Mrs. Roosevelt at Hyde Park, N.Y. Mrs. Florence Harriman, American Minister to Norway, and other returning American diplomats were also on the passenger list.

Figures of Japanese Plane Losses Conflict

Official Chinese figures vary on the number of Japanese planes destroyed by enemy action during the Sino-Japanese war. Major-General. C. J. Chow of the Chinese Air Force put the number at 912, according to a *United Press* report of August 28. The following day, a *Havas* dispatch claiming the National Aeronautical Affairs Commission as authority, said 848 was the correct total. Some 1,148 Japanese pilots and assistant pilots have been lost in the 38-month period, according to the second report.

Chinese residents in the United States have cabled General Chiang Kai-shek a pledge to raise U.S.$1,000,000 for the Chinese Air force fund, *Havas* learned on August 28. Simultaneously with this announcement, the Kwangtung Dramatic Association revealed a plan to present a number of plays on September 18 for the benefit of the air fund.

Vichy Regime Promotes Diplomats in Far East

The Ministry of Foreign Affairs of the French Government at Vichy last week announced the promotion of several members of the diplomatic and consular corps in the Far East. Among them are the following: M. Philippe Baudet and M. Robert de Boissezon, Embassy Secretaries Second Class, have been promoted to the rank of Embassy Secretary First Class. M. Pierre Millet, Embassy Attache, has been promoted Embassy Secretary Second Class. All three are with the Embassy in China. In the Consular service, M. Philippe Simon, Consul in Canton, has been promoted Consul First Class. M. Georges Cattand, Vice-Consul in Shanghai, has been promoted Consul Second Class. M. Jean Dubosc, Far Eastern Secretary-Interpreter Second Class, has been promoted to the First Class. M. Jean Royere and M. Serge Lebocq have been promoted from the third to the second class of the Secretary-Interpreters rank. M. Andre Negre and M. Imbert de Laurens-Castelet, consular attaches, have been promoted to the rank of vice-consuls.

Philippines Asked to Halt Snake-Skin Trade to Japan

To prevent Japanese interests from exploiting the snake-skin industry on Gato Island near Cebu, the United States Secret Service has recommended the Philippine Government to cancel the lease a certain Filipino holds on the island, *United Press* reported August 30. Mr. James Keefe, chief of the Secret Service, told the news agency that the Japanese have been collecting as many as 10,000 snake-skins a month on the island for shipment to Japan.

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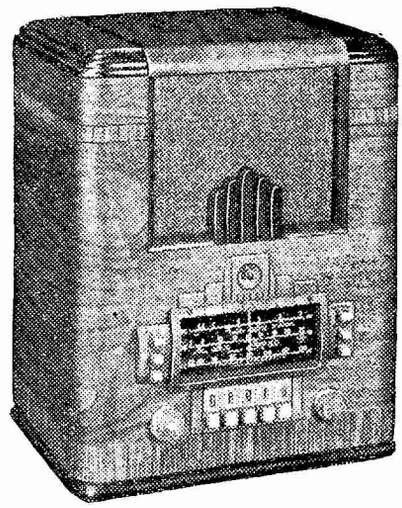

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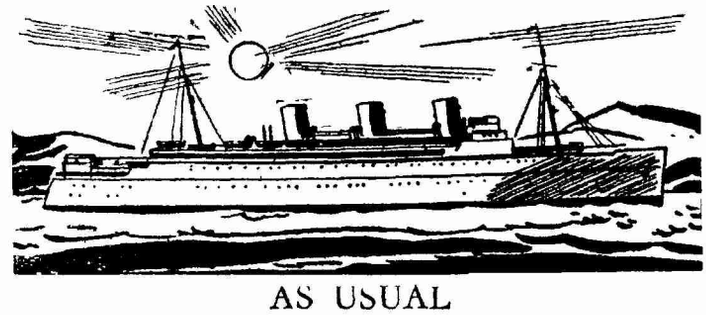

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Chinese Troops Engage Japanese At Lungchow, Near Annam Border

INDO-CHINA SAID TO HAVE REJECTED ULTIMATUM

Authorities of French Indo-China have rejected an ultimatum from Japan in which demand was made for the right of Japanese troops to pass through the colony, Reuter reported from Saigon on Sept. 3. According to the report, the demand was presented last Sunday, but it was not stated whether any time-limit was set for compliance. Mr. Yakichiro Suma, spokesman for the Japanese Foreign Offic, when asked about the reported ultimatum, said (again according to Reuter): "There is nothing to it." The exact situation in the French colony was not known this week, as the authorities at Hanoi clamped down a tight censorship on all outgoing and incoming radio and telegraph messages. Press agency messages to Hanoi, calling for reports, were returned undelivered. A Hongkong message published in the Tokyo Asahi on Sept. 2 said that Japanese naval units had "blockaded" the French Indo-China port of Haiphong in order to prevent foreign warships from entering.

INTEREST in the China war centered last week along the Kwangsi and Indo-China border where Chinese forces were jockeying for position with small Japanese contingents, to meet a possible Japanese attack from the French colony via the Annam—Yunnan railway. The Japanese—occupied city of Lungchow, close to the border, was reported from Chungking to be preparing for a siege by Chinese forces. The Japanese garrison was said to be burning any houses which might afford protection to the attacking Chinese.

On the northern front, the 8th Route Army was reported from Chungking to have occupied two important points along the Shihchiachuang-Taiyuan railway which runs from Hopei westward into Shansi, including strategic Niangtsekwan pass in the Great Wall between the two provinces. A Japanese report from Peiping confirmed the news of heavy fighting along the line and admitted that traffic had come to a halt, but denied the loss of Niangtsekwan pass. Chungking further announced that guerrilla units had occupied the Chinghsing coal mines near the pass.

Besides preventing the arrival of Japanese reinforcements over the railway, the guerrillas succeeded in cutting three other North China railways during the week, a fact admitted by the Japanese. Farther south, Chinese guerrillas are reported to have withstood heavy Japanese assaults on Monhsu, Feihsien and Linchi in southern Shantung. Japanese were said to have retreated to their bases.

The air war continued sporadically during the week, with Japanese planes carrying out only one raid in the vicinity of Chungking, when 100 of them bombed Kwangan, Ninchung and Suining on September 3, the day on which the British Ambassador arrived from Shanghai. A Chungking report alleged that Japanese planes had raided Hengyang, eastern Hunan, on August 28 and that one Japanese plane was brought down by Chinese pursuits. Paoki, the western terminus of the Lunghai Railway, which is claimed by the Japanese to be a pivotal point on the "Red Route" to Russia, was bombed by Japanese planes on September 1 and 2. The highway between Chengtu and Paoki was cut, the Japanese said.

American mission property suffered damage when Japanese planes staged two raids on Shiuchow, northern Kwangtung, on August 30. It was learned on the same day that the China Inland Mission at Kian, Kiangsi, was damaged in Japanese bombings on August 3. Other mission casualties during the week were three Catholic fathers killed by bandits who machine-gunned three buses south of Paoting on September 1. Two of the men were Fathers Peter and Paul Liu.

Japanese warships shelled Lappa Island near Macao on September 1 in an effort to drive their own rebellious puppet troops from entrenched positions in the hills. The puppets had been preying on the island villages.

U.S. Commercial Attache Feted Upon Retirement

Mr. Julean Arnold, retiring U.S. Commercial Attache, left Shanghai with Mrs. Arnold on Friday for Manila, where they will take the Clipper plane to the United States next week. Mr. Arnold first came to China in the Consular service in 1902. During the past 38 years he has filled Consular and Diplomatic posts in several cities in the Far East. Before his departure this week Mr. Arnold was feted at a dinner by Shanghai civil organizations with which he has been connected. He attended a luncheon by the American Chamber of Commerce on Tuesday and a banquet by the American Association on Wednesday.

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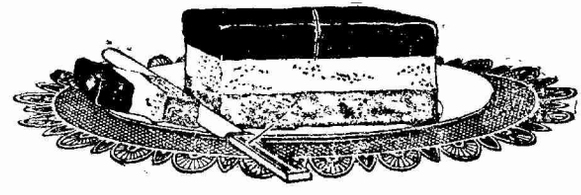

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Chinese Air Fighters

(Continued from Page 18)

direct way of attack. With the throttle wide open, he dashed forward and deliberately rammed his own plane against the bomber. Its all-metal wing was smashed, and the enemy tailspun earthward. Chen, with the lower left wing of his biplane torn off, managed to glide down and make an awkward landing on his home field. He was examining the bullet holes and the torn wing-tip of his plane with his mechanic when the rest of his comrades landed one by one with their ships bullet-riddled.

The wing commander grinned when he informed his fighters that seven enemy wrecks had been seen on the way back to their base. "Good work, boys," he remarked. It was a 7-0 victory.

The total numerical strength of the Chinese Air Force around Chungking is a matter of conjecture. It is generally believed, however, that more than three wings are to be found here. A number of the pilots are overseas Chinese. Hailing from different countries, they form a contingent known as the "Meteor Wing," so named for their daring power-diving. As someone remarked, "You may not know them, but their patriotism is familiar."

Java Boy Goes Flying

Shanghailanders perhaps remember a football ace named Chen Chen-ho, popularly known as "Darky." This Java boy has gone flying. Repeatedly reported dead, he still serves the nation, and his daring exploits in the air have won him acclaim from many a Chinese youth. He represented China in the XIth Olympiad held in Berlin in 1936; he represents China in a more worthy cause today. He is second lieutenant in rank.

One of the older members of the "Meteor Wing" is Captain Chen Juitien, whose uncanny marksmanship Japanese airmen dread. Educated in America, he has fought many battles for China—over Chujung (south of Nanking), Hukow (Kiangsi), the Wuhan cities, Kunlunkwan (Kwangsi) and others in the course of which he has shot down many enemy aircraft. He has been wounded many times. Because he is rather short of stature and has a Chaplin moustache, he was once mistaken for a Japanese when he made a forced landing in the countryside after a dog-fight over Hankow. Another old-timer is Captain Huang Pan-yang who received his training in an aviation school in Portland, Oregon. He was among the Chinese airmen who attacked the Japanese flagship *Idzumo* early in the hostilities. He has shot down five enemy bombers. His luck piece is a jade ring.

From the Philippines

Liu Ling-ssu, hailing from the Philippines, has been flying for 12 years. He fought his first battle against the Japanese on August 15, 1937, over Nanking when he shot down one enemy bomber. He also fought over Hankow, Changsha and Liuchow. "I have been busily engaged in fighting," he remarked. "Here I am 30, and I have no time to contemplate marriage. I only wish I could fight better."

Hsieh Chuan-ho, of darkish complexion, hails from Banka, a tin-producing island east of Sumatra, N. E. I. His original ambition was to enter business, but when war came he changed his motto into "Patriotism before Profit" and joined the Chinese Air Force. He defended Canton and Shaokwan, both in Kwangtung, his home province, building up a fine record. Too valuable to lose, he now has a teaching post at a Central Aviation Academy in Free China.

There are many other "shooting stars" who can be mentioned only briefly. Ma Kuo-lien from Canada has been the luckiest. He has been wounded once only. Shy, 25 years old, he has downed four Japanese planes. Hou Chen, who comes from Burma, is a person who would say: "I will do everything for my country to defeat the Japanese." Kiang Pi-chuan, another Java boy, is a good fighter. "I have to be for the sake of my country, my wife and our child," is his explanation. Chen Yu-jih, from the British Malay States, once had an air duel with the Japanese over Canton at an altitude of 5,000 meters, until both parties crashed earthward; it was only through sheer luck that he lived while the enemy died. And so on.

Chungking, July 1, 1940.

Feeling Reported High Between British, Indians

Unconfirmed reports of Indian unrest continue to be dispatched by the *Transocean* news agency from as widely separated points as Tokyo and New York. The German agency stated on August 30 that despite the Indian Government's ban on all activities of the Indian Nationalist semi-military organizations, the Nationalist Party has opened its first camp at Cawnpore. Allegedly coming from Bombay, the report declared that the government authorities were expected to dissolve the organization by force. On the same day this report was carried, another purporting to come from Simla announced sanguinary clashes between British and Indians in the vicinity of that mountain resort, during the course of which three Britons and 50 Indians are said to have been killed and numerous others wounded.

Japanese Youth to be Regimented Like Hitler's

A youth movement similar to the Hitler Youth Organization in Germany is projected by the Japanese Welfare Ministry to "develop the bodies and shape the ideas" of 1,500,000 youths in industrial occupation in Japan, according to a *Yomiuri* report carried by *Havas*. The organization, to be named the Patriotic Industrial Young Men's Association, will be compulsory for young Japanese industrial workers. Besides mass physical exercise, military drill and camping trips, members will be drafted from time to time into a national "voluntary" labor corps. Properly selected leaders after the authoritarian pattern will be appointed and trained to exert "the proper influence" on their charges. Under such leaders, the *Nichi-Nichi* observed, the "rising manhood of industrial Japan will be brought up strong, healthy and of a single mind."

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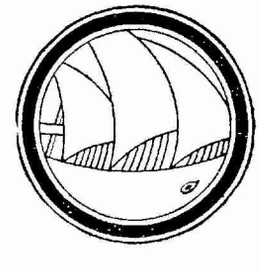
TRADE  MARK

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94-031

Outstanding Events in the Sino-Japanese War A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th (1937) issue of The Review.

August 2

Five flights of Japanese bombers raid Szechwan cities, among them Pishan, Nanchuen and Kwangan, all in vicinity of Chungking. Capital itself unmolested.

Chungking again denies peace move which it will never start, "least of all at the present time." Conversations between National Government and Communists said underway in order to dispose satisfactorily of Communist troops and administrative areas during military operations. Due to expansion of Communist Army already sanctioned by Chungking, funds to the Communists have been relatively increased.

Japanese forces along Hongkong border bogged into mud. All-time record precipitation of 90 inches recorded for first seven months of year. Communications practically closed down. One isolated division said receiving provisions by airplane.

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August 3

Chinese pursuit plans divert 36 Japanese planes from raid on Chungking. Japanese instead bomb Tungliang, northwest of capital. Wreckage of one Japanese plane shot down after yesterday's widespread raids over Szechwan, found near Hupeh border with bullet riddled gas tank.

Chungking lifts all restrictions on import of gasoline into free China for three-month period. Step believed taken to encourage smuggling through Japanese blockade as counter-measure to Burma road closure. Use of cars in free China already restricted because of gas shortage.

Japanese press sees closer alignment of Japan with the Axis powers in order to insure proper redistribution of earth's resources. Press in United States condemns Japanese aspiration to domination of Asia through Asiatic Monroe Doctrine.

Shinichi Kojima, Director of the Fuel Supplies Bureau of the Japanese Ministry of Commerce and Industry, tells press Japan has never neglected to replenish its supplies of gasoline and fuel oil and that the American ban on these important products will not inconvenience the country. Ambassador Horinouchi visits the State Department in Washington to protest against the embargo on high-grade fuel oil exports from the United States.

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August 4

Recent British arrest of three prominent Japanese in London on espionage charge seen as retaliation against Japanese detention of Britons for espionage. Washington political circles see in British move firmer stand against Japanese demands in Far East. Japanese quarters in London predict Japan will move closer by Axis as result of arrests.

Japanese traffic inspection party in Kwangchowan, French leased territory in south China, reports it has been able to stop 80 percent of commerce with free China.

General Kuniaki Koiso, former Minister of Overseas Affairs in Tokyo and presently mooted as special Japanese envoy to N.E.I., says Dutch South Sea colonies should definitely be included in the economic sphere of Greater East Asia envisaged by Japan.

August 5

Tokyo denies negotiations in progress to obtain naval bases in French Indo-China. Washington denies knowledge of such negotiations and gives no hint of reaction in case French Government accedes to demands. Military experts see Japanese bases in colony as dangerous threat to defense of Philippines. Congressional opinion in Washington runs from extreme of advocating complete rupture in relations with Japan to "go slow" policy.

Japanese threats against Britain following arrest of subjects by London police, gives way to calmer consideration as Gaimusho reports it will take no steps pending clarification of situation.

Nine Japanese under arrest in Singapore and Burma on charges of violating various defense regulations. Chungking lauds stiffening of British attitude vis-a vis Japan, but sees in it no more than a test of the stability of the new Konoye cabinet's foreign policy.

Chungking claims 62 Japanese Major-Generals and Lieutenant-Generals have lost their lives in China since the outbreak of hostilities, four this year. The list includes five officers killed in action fighting Soviet forces on the Nomonhan front last year.

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August 6

Quiet reigns along the entire Chinese war front from the jungles of Kwangsi to the Gobi, Chungking announces. Minor skirmishes reported in the Ichang and Shansi sectors. Bombings by Japanese planes said to have slackened in past few days. Taking advantage of the situation, a number of Chinese generals will leave the various fronts for a gathering at Chungking in the near future, **United Press** reports. The report predicts the conference will discuss strategy to be used in halting a possible Japanese attack on west China along the Ichang or the southern Shensi routes.

French authorities in Indo-China seen by **United Press** correspondent to be stiffening on Japanese demands. Japanese inspectors now have run of the colony and are reported mapping out communications and defense lines, principally from the air. Although French have placed all conveniences, including use of government buildings, at disposal of Japanese, Governor Decoux has refused 100 Japanese naval seamen permission to land at Haiphong with stores.

*
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August 7

Indo-China issue moves towards climax as Japanese are reported insisting on certain concessions such as naval bases and passage of troops through French colony to Chinese frontier via railroad. Japanese seem interested in Chinese military supplies now stored in Haiphong since closure of railway to China. Stores are mostly of American origin and are worth $8,000,000. U.S. envoy to Tokyo asks Foreign Office for confirmation of new Japanese demands on Indo-China. Told reports are inaccurate.

*
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August 8

Chungking predicts Japanese attack on Indo-China with eventual aim of gaining base for attack on Singapore. Japanese attack expected to be carried out in conjunction with Italian offen-

sive against British East Africa and German attack on England.

General Kwang Lin-cheng, Commander of 15th Group Army, predicts China will win war barring internal collapse Points out that victory will be won by attrition—not on batlefield. Whereas a decisive battle often brings a war to conclusion, China has fought a dozen great battles in past three years and no end of conflict is in sight, he says.

Japanese Navy spokesman in Tokyo charges violation of Burma road pact. Says war munitions travel over highway despite British undertaking to suspend this traffic.

Nippon Consul-General in Shanghai to be Replaced

The unprecedented reshuffle of Japanese diplomatic and consular officials announced last week from Tokyo, affected Shanghai along with other cities throughout the world. Mr. Yoshiaki Miura, Japanese Consul-General here, has been replaced by Mr. Tateki Horiouchi, the Foreign Office announced on September 2. Mr. Miura participated in the Gaimusho revolt of last October when some 300 officials resigned as a protest against alterations in the Foreign Office organization. Mr. Miura may be appointed minister to Mexico, *Domei* announced.

Mr. Horiouchi will simultaneously hold the post of Counsellor to the Japanese Embassy in China, in succession to Mr. Goro Morishima, who according to *Domei* was relieved of his title at his own request. The Foreign Office has also appointed Mr. Y. Tsuchida as a Counsellor to the Embassy in China.

Mr. Sotomatsu Kato, Minister-at-large, has been dismissed from office according to a terse Gaimusho announcement. Mr. Kato in recent years travelled through occupied China in the capacity of observer and liaison officer for Tokyo.

Chinese General Executed For Desertion, Corruption

Ou Yang-ko, former Chinese General in command of the Kiangyin-Matang-Kiukiang sector, was executed in Chungking on August 20 after a court-martial had found him guilty of desertion in the face of battle, refusing to advance when ordered and obstructing orders of the High Command during defense operations. Ou, who was at one time Dean of the Electricity and Mine school, was also found guilty of embezzling more than $170,000 from the school treasury. Ou's arrest was ordered in June, 1938 by General Chiang Kai-shek, according to *Kuo Min.*

Japanese Arrest British Missionary on Spy Charge

Mr. Allen Benson, British missionary, was arrested by the Japanese authorities at Kalgan on August 27 on a charge of espionage, *Reuter* reported. The arrested man, who is a member of the Assembly of God Mission, is alleged to have been the head of an anti-Japanese society operating in Mongolia since May or longer. More than 30 Chinese, including three ring-leaders of the supposed organization, are also being held.

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Who's Who in China

Chen Yee, magistrate, born at Kueng Hsien, Honan, July 15, 1905; graduated at Government Preparatory School, B.A. scholarship in Fu Tan University,

Chen Yee (Chen Yu-chun)

陳 沂 字 浴 春

1929; proctor of Fu Tan University; professor of China National College, Woosung; secretary of Anhwei Provincial Government; principal of Anhwei Provincial Yingchow Middle School; now magistrate of Piyang Hsien, Honan; translator into Chinese of "Danger Spots in World Population" (Min-Chi Book Company); address: Piyang District Government, Piyang, Honan.

Nash and Allan to Take Gubb's Place on S.M.C.

On the resignation of Mr. Thomas Witheridge Gubb, Acting Deputy-Secretary of the Shanghai Municipal Council, from about the middle of September, Messrs. E. T. Nash and J. W. Allan, Assistant Secretaries, will be appointed Acting Deputy-Secretaries. Mr. Gubb has resigned in order to enlist with the British Army.

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94-033

Men and Events

Mrs. Dudley Brinsden of Peiping has given birth to a son. She was formerly Miss Geraldine Cheetham of Shanghai.

*

The principal European office of the South Manchuria Railway Company will shortly be transferred from Paris to London, according to a **Transocean** report from Hsinking this week.

*

Summonses have been issued against 14 compradore shops in the International Settlement, charging them with selling shortweight packages of sugar. The accused will be tried in the First Special District Court.

*

Vice-Consul R. E. Emmons of the U.S. Foreign Service has been transferred from Hankow to Seoul, Korea, it was reported this week. Mr. Emmons, well-known as an explorer and big game hunter, is due in Shanghai next week on his way to the new post.

*

After an absence of two years in Europe, Mr. and Mrs. Paul P. Yannoulatos have returned to Shanghai. Mr. Yannoulatos is a member of the well-known Greek shipping firm that bears his name. He and his wife are residing at the Cathay Hotel.

*

Major K. M. Bourne, Commissioner of the Shanghai Municipal Police, returned this week to Shanghai from a vacation in Weihaiwei. Captain H. M. Smythe, Deputy Commissioner, left for Weihaiwei on short leave and will return at the end of this month.

*

George Dewey King, aged 42, former chief watertender attached for many years to the USS Augusta, flagship of the U. S. Asiatic Fleet, died at the Shanghai Country Hospital on Thursday, Aug. 29. Funeral services were held on Aug. 31 at Hungjao Road Cemetery.

*

The U. S. Maritime Commission on Aug. 29 granted permission for sale of two American ships, one a freighter owned by American-South African Line, and the other a tanker owned by Standard Oil of New Jersey, to a company in Panama, where they will be registered under the Panamanian flag.

*

Judge Yang Chi, President of the Second Special District Court in the French Concession, has been suspended from office for a period of five years by order of the Chinese Government at Chungking. The charge against the judge was that he was involved in an opium deal for which one of his relatives, also a court official, was sentenced to life imprisonment some time ago. Judge Chen Mow-hsien has taken over Judge Yang's duties on the bench.

*

Lt.-Col. Ivan Tukrijarov, Soviet Military Attache in London, and Capt. Boris Svetzov, Soviet Air Attache at the U.S.S.R. Embassy in London, arrived in Japan on August 31 on their way to Great Britain to assume their duties. They will travel to England by way of the United States. Alexander Askonikoff, Soviet Consul at San Francisco, also arrived at Tsuruga, Japan on Aug. 31 on his way to his post.

*

Frank P. Lockhart, American Consul-General at Shanghai, who has been in Washington for several weeks, is scheduled to arrive here on the President Coolidge on Oct. 22. Mr. Lockhart was previously Counsellor of Embassy at Peiping. Richard P. Butrick, who has been Acting Consul-General here since the departure of C. E. Gauss for Australia, will depart for the United States on home leave, following Mr. Lockhart's arrival.

Wang Tsu-hsiang, chief technical expert with the National Health Administration, has resigned in order to accept the post of director of the Plague Prevention Department of the National Health Administration.

*

The Ministry of Education of the Chinese Government announced on Aug. 29 that certificates of honor had been conferred on three groups of university professors who had been engaged in teaching for more than 10 years. Among those honored were Prof. Lo Chung-sheng, Chow Pan-ming and Chien Ting. The list included 41 names.

*

Lawrence A. Steinhardt, American Ambassador to Russia, arrived in Peiping last week en route to his post in Moscow. He is scheduled to depart from Peiping, by way of Manchuria and the Trans-Siberian Railway, on Sept. 5. Mr. Steinhardt returned home to Washington for a conference with Secretary of State Cordell Hull several weeks ago, but the spread of the European War prevented him from returning to his post by way of the Atlantic.

*

The authorities of Szechwan Province have formed a provincial committee for the preservation of ancient relics. It follows the form of similar organizations in other provinces under the National Government, the purpose being to prevent loss or desecration of national monuments and works of art or historical importance. A special project of the Szechwan committee is the restoration and preservation of the Yunfeng Monastery at Lu-hsien, southern Szechwan. It was constructed in the Tang Dynasty, between 618 and 906 A. D. The Committee also decided to send representatives to Hsikang Province to obtain assistance in preserving the relics of the Tang and Han Dynasties in that province.

Dr. Hu Shu-hua, president of National Northwestern University, has resigned in order to accept appointment as president of National Hunan University. Dr. Pi Tsung-shih, who has been president of National Hunan University, has been appointed president of National Northwestern University. The exchange of posts by the two university presidents was announced by the Ministry of Education at Chungking on Aug. 23.

*

Madame Chiang Kai-shek announced on August 31 that she had "adopted" an additional 200 Chinese children who had been orphaned as a result of Japanese air raids on Chungking. Most of them had lost their homes as a result of recent Japanese bombing raids. After they had been registered, given a hair-cut and shower-bath, they were placed in Madame Chiang's orphanages in the Chungking district. Madame Chiang's first orphanage for children of officers killed in the war was opened in Nanking. The number has now grown to 49, scattered over the country, housing some 30,000 children. The monthly expense of caring for the children is said to average about Ch.$30, or somewhat less than US$2 for each child.

*

Ernest Becker and Ben Cowles, second-year students at Union Seminary, New York, are expected to arrive in Chungking shortly as representatives of the American Youth Congress, the National Intercollegiate Christian Council, International Council of the Board of Foreign Missions of the Presbyterian Church. The boys are each 25 years of age. Becker is a native of Connecticut and a graduate of Amherst, while Cowles is a native of Kentucky and was graduated from Haverford College. They plan to travel extensively in west China, studying the problems of Chinese students and conferring with officials of the Chinese Government.

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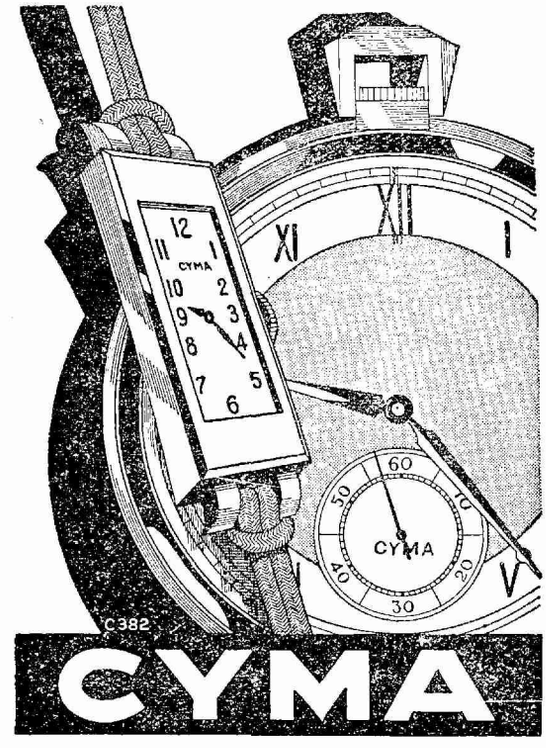


A. T. Steele, China correspondent for the **Chicago Daily News**, returned to Shanghai this week after four months' absence, during which he and Mrs. Steele visited the United States, Japan, Manchuria and North China. Mrs. Steele is remaining in Peiping, but will return to Shanghai in about two weeks.

*

Sir Archibald Clark Kerr, British Ambassador to China, left Shanghai for Hongkong Monday aboard the s.s. Empress of Asia, then proceeded by air to Chungking where he arrived Sept. 3 for a two-month sojourn. He will return to Shanghai in November when he will be joined by Lady Kerr, who is at present vacationing in North China. Another passenger aboard the Empress of Asia was Vice-Admiral Sir Geoffrey Layton, en route to Hongkong to take over command of the British China station from Admiral Sir Percy Noble.

*

Many correspondents of the French **Havas** news agency have resigned as a result of developments following the Nazi occupation of Paris. Leon Pearson, who had served in the Washington bureau, resigned in protest against Nazi domination of the French news distribution service. Albert Grand of the Havana office also resigned and announced his intention of organizing the anti-Nazi elements in the agency into a new group which would serve South American papers. Of greatest interest, however, was an attempt on the part of Count de Saint-Quentin, French Ambassador in the United States, to obtain the release of US$800,000 from frozen French credits in U. S. to enable the **Havas** news service to continue in operation for one year. Sumner Welles, Under-Secretary of State, asked the French Ambassador whether **Havas** in future, would be controlled by the French or the Nazis. The French Ambassador cabled Paris but received no reply. Later, the Ambassador was deposed by the Petain Government. The London office of **Havas** has divorced itself from the French headquarters in Paris and joined up with **Reuters**. Through the agreement, 4,000 words of copy dealing with the European situation are being sent to South American papers. Carl Randau, president of the Newspaper Guild of New York, and Michael Fortanasce, who was connected with the New York office, filed suit in the Manhattan Supreme Court for US$8,786 representing severance pay—allegedly due 16 employees who were dismissed. It was claimed **Havas** had violated its contract with the Guild. It was reported that **Havas** recognized the merits of the claim. Aside from developments concerning **Havas**, the Petain Government issued an order confiscating the private properties in France of a number of well-known French writers who left at the time of the German occupation and the creation of the puppet Petain regime. Those affected were, Genevieve Tabouis, foreign editor of **L'Oeuvre**; Andre Geraud, popularly known as Pertinax; Pierre Lazareff of the Paris **Soir**; Emile Budre of **L'Ordre**, and Henri Kerillis of **L'Epoque**. The New York **Herald-Tribune** was also a serious loser, as its Paris edition was forced to suspend on June 13, day before the Nazis entered Paris. It was the first time the paper missed an edition in 53 years on the Continent. It is not known whether the paper will ever resume publication. Laurence Hills, editor, was quoted in the American trade paper, **Editor and Publisher** as stating, "We would not think for a moment of publishing an American paper under German rule. The property was valued at US$400,000. No announcement has been made regarding the future plans of **Havas** in the Far East, except a radio broadcast from Vichy some time ago, stating that the agency was to be taken over by the Petain Government, reorganized and renamed.

Prof. Lei Pei-hung, former provincial commissioner of education for Kwangsi, has been appointed president of National Kwangsi University. He succeeds Dr. Ma Chun-wu, who died recently.

*

Yoshiaki Miura, Japanese consul-general at Shanghai and one of the foreign service officials recalled in Japan's big diplomatic shake-up, is likely to be appointed Japan's minister to Mexico, according to **Domei**.

*

Effective Nov. 1, no more foreign motion pictures will be exhibited in Korea, according to a **Domei** report from Seoul. The ban on foreign films has been decided upon in order to conserve foreign exchange.

*

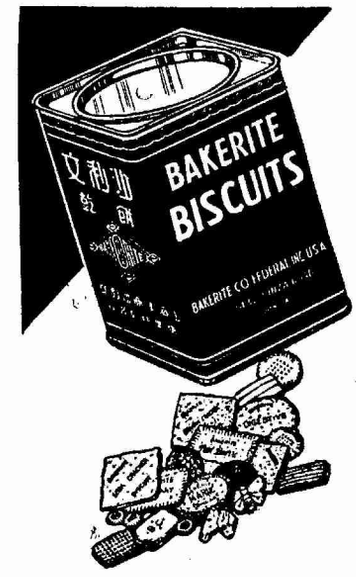
Nearly 400 persons lost their lives in the United States over the week-end Labor Day holiday, according to **Transocean**. Of this total, 221 died in automobile accidents.

*

When the Yankee Clipper plane left New York for Lisbon on Sept. 3, she had on board a freight-free cargo of 221 pounds of anti-typhoid serum destined for use in combatting a typhoid epidemic said to be raging in the unoccupied parts of France. The serum was donated by the American Red Cross.

*

Roy Howard, president of the Scripps-Howard chain of American newspapers, arrived in Chungking from Rangoon on Sept. 3 by airplane. He was entertained at tea by Dr. H. H. Kung, China's Finance Minister, and at dinner by Foreign Minister Wang Chung-hui. The following day he was slated to interview Gen. Chiang Kai-shek and Mr. Nelson T. Johnson, American Ambassador to China, thereafter departing by air for Hongkong.



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An I. N. S. report from Portland, Oregon on Aug. 26 stated that the Russian motorship Friedrich Engels, which had been loading at Portland, was scheduled to sail shortly for Vladivostok with a cargo of copper, cathode bars, machinery parts, and (rumored) airplane parts, all valued in excess of US$1,000,000. The report alleged that the Friedrich Engels carried part of the cargo of another ship, the Wildwood, which was recalled to Tacoma several months ago after it had reached mid-Pacific.

*

Last May, the Shanghai Municipal Council invited the Shanghai Waterworks Company to meet with its representatives to consider the possibility of relieving water consumers to some extent of the burden of providing the maximum sterling dividends on its issued share capital, to which the company is entitled under its franchise. This week the Council disclosed that the company, while undertaking not to apply for an increase in the existing 110 percent water surcharge to consumers during the remainder of the present calendar year, refused to commit itself to any modification of its future rights under the franchise. The company made an enormous profit (in Chinese currency) last year.

U.S. Missionaries Said Machine-gunned in Sudan

Two American missionaries were killed by machine-gun fire and two others wounded when Italian warplanes bombed and strafed a mission at Kurmuk in the Upper Nile Province of the Anglo-Egyptian Sudan on August 23, according to a *Reuter* report. One missionary and his wife were killed when they ran out of their buildings waving American flags. A full report of the affair was said by the British agency to have been sent to Washington by the American Legation in Cairo.

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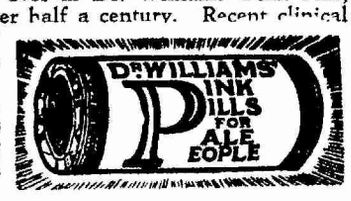

New Books of Interest in the Far East

The End of a Myth

STUDIES IN THE THEORY AND PRACTICE OF PEACE AND WAR IN CHINESE HISTORY AND LITERATURE — By Leonard Tomkinson, Christian Literature Society, Shanghai, 1940. viii+208 pages. Price, Ch.$1.80.

The enthusiastic and tenacious resistance they have displayed against the armies of Japan during the past few years has rudely shaken the widespread notion that the Chinese are convinced pacifists. It is difficult to maintain such a generalization in the light of facts, believes the author, who for years has been a student of Chinese history and thought, and notably has translated the authentic writings of Mo-tzu. There is plenty of evidence of the warlike activities of the Chinese in their early history, and the Legalist School, those advocates of force whose adherents first brought about the unification of China, still today exercise considerable influence on Chinese thought.

If the Chinese have seemed less inclined to resort to war than other nations and races, there are explanations. The masses in a predominantly agricultural country never favor war. The long civilization of China may have cultivated among the Chinese sufficient intelligence to observe that war harms and destroys, hence is to be avoided. As Taoism has stressed the desirability of inertia, so for centuries the belief in natural rhythmic change has disinclined the Chinese from attempts to upset the course of the universe by contrary human effort. Common to all the schools of Chinese thought, the author stresses, is a search for universal harmony which is sufficient to account for the general leaning of the Chinese to peace rather than strife. But although Chinese thinkers for the most part have condemned aggressive war, it is not easy to find one, even among the followers of Mo-tzu, who advocates non-resistance in all cases and rejects completely the right of self-defense.

Readers of this book will be disappointed if they expect to find any single definite answer to the question: What is the attitude of the Chinese toward war? The author feels that it is unwise to attempt one. If he seems to have covered much familiar ground, and if the several conclusions he draws appear to be neither new nor surprising to students of Chinese history, they are well supported by full use of Chinese sources. His work has real value, in that it is the only comprehensive investigation of the subject to be published in English.

B.D.C.

Chinese Textbook

INTRODUCTION TO SPOKEN CHINESE —B.J.J. Brandt. Peking, Henri Vetch, 1940. Cloth, xvii + 240 and 130 pages. For sale by The French Bookstore, Peking. Price, Ch.$18.00.

Mr. Brandt has added another valuable book to his earlier publications on the study of Chinese, "Introduction to Literary Chinese" and "Modern Newspaper Chinese," both of which have been received with favor by students of the language. The same qualities of aliveness, analysis and practicality found in the earlier volumes are seen in this book.

Mr. Brandt wishes to accustom the student to the construction of correct Chinese sentences instinctively. In order to accomplish this, he has devised a thorough drill in which simple expressions and phrases are used over and over in modified forms.

The book is divided into thirty lessons. Vocabularies with each lesson are given with romanized Chinese and characters. Sections from elementary school readers and short articles are included in the second of the lessons. After every five lessons a recapitulative exercise based on previous material is given. The English-Chinese dictionary which occupies the last one hundred and thirty pages gives a working vocabulary of approximately six thousand separate words, terms and expressions, which will supply an adequate foundation for conversation.

Mr. Brandt has the gift of presenting his material effectively. The preface and introduction discuss some of the unique features of the Chinese language. However, since this book is an introduction to the spoken language, no attempt has been made to treat them exhaustively. This is a practical book and as such should prove extremely useful.

R.

"A Sublime Ambition"

AN OUTLINE OF THE MANCHOUKUO EMPIRE, 1939—Edited by the Bureau of Information, Manchoukuo State Council, Hsinking. Paper, 241 pages.

The point of view which underlies this yearbook may be seen in the first paragraph of the volume:

"The State of Manchoukuo was founded on March 1, 1932 by the thirty million people of Manchuria and Mongolia, who by united effort and with the unfailing cooperation of their friendly neighbour, Japan, finally overcame all obstacles, both internal and external, and liberated themselves from the maladministration of the militarist regime from which they had suffered for many years. The founders of Manchoukuo, both officials and citizens, were motivated by a sublime ambition to create a State dedicated to the realization of 'Wangtaoism' or the 'Way of Benevolent Rule' and to the pursuit of the ideals, 'obedience to the Way of Heaven for the peace and security of the people,' 'racial harmony and collaboration,' and 'mutual prosperity and co-existence.'

After twenty-five pages of the history of Manchuria and Manchoukuo, the yearbook takes up the topics of territory and population, government and courts, national defense, foreign relations, finance, education and religion, industry, commerce and trade, currency, transportation and municipalities.

Although the table of contents is outlined with sub-topics, the addition of an index would make this book more readily available to readers of special interests, for whom it is intended.

F.

Revolutionary Martyr

ROSA LUXEMBURG: HER LIFE AND WORK—By Paul Frölich. Translated by Edward Fitzgerald. London, Victor Gollancz Ltd., 1940. 336 pages.

The author of this book wrote the short biography of Rosa Luxemburg which appears in the Encyclopedia of the Social Sciences. Rosa Luxemburg was a Polish-German socialist and economist, a member of the proletarian party in Poland who fled from the Russian police to Zurich, where she studied law and economics and became a Marxist.

Her study of Polish industry led her to believe that an independent Poland was not desired by the Polish bourgeoisie, but by the reactionary small shop-keepers and the ruined landed nobility. Consequently she advocated Polish autonomy within Russia as a working-class demand. In 1893 she helped found the Social Democratic Party of Poland and Lithuania as a branch

JAPAN'S WAR IN CHINA

When the Sino-Japanese hostilities broke at Peiping on July 7, 1937 and at Shanghai on August 13 of the same year, **THE CHINA WEEKLY REVIEW** immediately began compiling a day-to-day record of out-standing developments in the struggle including the diplomatic side as well as the military. These handy little volumes, each covering a period of six months, have now reached five.

They are 5" × 7½" in size and the number of pages runs from 116 to 180 for the different volumes.

Vol. 5 of the detailed day-to-day record of Sino-Japanese hostilities is now off the press. It covers the period from July 7, 1939 to December 31, 1939.

Outstanding developments in this period include the beginning of Japan's air raids on Chungking, Wang Ching-wei's activities at Nanking, Anglo-Japanese negotiations over the Tientsin incident, beginning of terrorism at Shanghai, abrogation of the American-Japanese Trade treaty, initiation of anti-foreign movements by Japanese Army authorities, "slapping" and "stripping" incidents at Tientsin, Ambassador Grew's denunciation of Japan's anti-American activities in China, beginning of U.S. "moral" embargo against Japan, etc., etc.

Preceding volumes of this series cover the following 6-month periods:

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In the United States Court for China

In re: ESTATE of JOHN FRANCIS MANNING, Deceased.	Cause No. 4514 Special Proceedings No. 2393 NOTICE Filed at Shanghai, China, September 3, 1940 WILLIAM T. COLLINS Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of John Francis Manning, deceased, to present the same with vouchers to the undersigned on or before March 7, 1941, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

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of the Marxian Russian Social Democratic Party.

The part of her life best known, however, deals with her years in Germany, where after 1896 she became a leading theorist of the Social Democracy. She maintained the position that, despite outward appearance, capitalism had entered a period of collapse, of increasing crises, of wars and revolutions. Therefore she held that the working class must acquire political power by force. She took an active part in the Russian Revolution of 1905-06 in Warsaw, urging the general strike as a revolutionary weapon.

After 1907 she rejected pacifist ideas as Utopian and stressed proletarian mass action as the sole means of eliminating war. After the World War broke out, she attacked the patriotic policy of the Social Democracy and with a small group helped to found the Spartakusbund to arouse revolutionary anti-war sentiments in the German working class. Except for five months, she was in prison from February, 1915 until the end of the war. Nevertheless, she influenced the revolutionary movement by her writings, which were smuggled out of prison.

After the collapse of the German Empire she called for a proletarian revolution in Germany, and led in founding the German Communist Party. This book is somewhat vague on the last weeks of her life, especially on the rising of the Berlin workers known as the Spartakuswoche. Luxemburg was arrested by order of the Ebert government on January 15, 1919, together with Dr. Karl Liebknecht, and was murdered by the White soldiers in whose custody she had been placed.

Unfortunately, many of her writings have been destroyed by her political enemies, but sufficient have been left to show her place in the German socialist movement. Although she was essentially a student, this fact did not prevent her from taking an active part in demonstrations and party activities. Mr. Frölich's study shows the close relationship of all European revolutionary movements with the Russian Revolution. It would be valuable and interesting to have a book covering this same period written by the other wing of the party, for much of the material is of a controversial character. The author has succeeded in giving his heroine a position as a sacrifice to selfish and reactionary interests.

F.M.R.

Wages Decline in Japan Since Beginning of 1940

The real wages of Japanese labor have declined since the beginning of 1940, it is reported by The *The Diamond*, Japanese economic journal, according to *Havas*. The real income index of factory workers, says the paper, has dropped from 101 to 93; of miners, from 106 to 103 and of transport industry workers from 79 to 75. The number of men employed in all three lines has, however, increased. Factories took on about 30 percent more laborers in May than had been working in July, 1937. There was a 20 percent rise in mine employment and a 3 percent gain in transport employment during the same period.

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In the United States Court for China

LOU EUGENE HURST, *Plaintiff,* vs. MAXINE MARGIE HURST, *Defendant.*	Cause No. 4512 Civil No. 2391 ORDER. Filed at Shanghai, China, August 21, 1940. WILLIAM T. COLLINS *Clerk.*

The object of this suit is an action for divorce.

WHEREAS, plaintiff herein, by his attorneys, Messrs. Rodger and Wiener, has this 21st day of August, 1940, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 21st day of August, 1940, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 21st day of August, 1940, the plaintiff herein filed an Affidavit to the effect that the defendant is a non-resident of this District and that defendant's last known address was c/o Mrs. L. E. Hurst, 710, Ohio Street, Vallejo, California, United States of America.

NOW, THEREFORE, it is this 21st day of August, 1940, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the China Weekly Review, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 7th day of September, 1940, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

By the Court,

MILTON J. HELMICK,
Judge.

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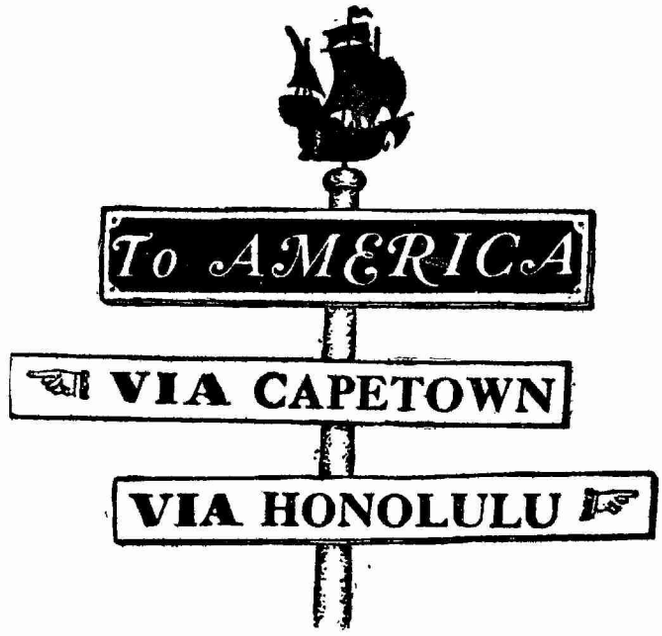

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